

OKLAHOMA CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
P.O. BOX 52000
OKLAHOMA CITY, OK 73152-2000
(Rule 165:10-3-1)

API NUMBER: 007 25625

Approval Date: 07/18/2013
Expiration Date: 01/18/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 20 Twp: 2N Rge: 21ECM County: BEAVER

SPOT LOCATION: NW NW NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 200 1031

Lease Name: SAGER TRUST Well No: 1-17H Well will be 200 feet from nearest unit or lease boundary.

Operator Name: UNIT PETROLEUM COMPANY Telephone: 9184937700; 9184937 OTC/OCC Number: 16711 0

UNIT PETROLEUM COMPANY
P.O. Box 702500
TULSA, OK 74170-2500

DELBERT & BETTY SAGER
SAGER FAMILY REVOCABLE TRUST
ROUTE 1, BOX 39
BALCO OK 73931-

Formation(s) (Permit Valid for Listed Formations Only):

	Name	Depth	Name	Depth
1	DOUGLAS	4572	6	
2	LANSING-KANSAS CITY	4702	7	
3	MARMATON	6121	8	
4			9	
5			10	

Spacing Orders: 612880

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201303958

Special Orders:

Total Depth: 10937

Ground Elevation: 2850

Surface Casing: 1995

Depth to base of Treatable Water-Bearing FM: 520

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: Yes

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 20000 Average: 5000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? N

Wellhead Protection Area? N

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: 1B

Liner required for Category: 1B

Pit Location is BED AQUIFER

Pit Location Formation: OGALLALA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 13-23753

H. SEE MEMO

This permit does not address the right of entry or settlement of surface damages.

The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.

Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

HORIZONTAL HOLE 1

Sec 17 Twp 2N Rge 21E County BEAVER

Spot Location of End Point: C N2 N2 NE

Feet From: NORTH 1/4 Section Line: 330

Feet From: EAST 1/4 Section Line: 1320

Depth of Deviation: 5500

Radius of Turn: 740

Direction: 360

Total Length: 4500

Measured Total Depth: 10937

True Vertical Depth: 6146

End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Category	Description
DEEP SURFACE CASING	7/18/2013 - G71 - APPROVED CONTINGENT ON NOTIFYING OCC FIELD STAFF IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
MEMO	7/18/2013 - G71 - SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER, 20 MIL LINED GEOMEMBRANE TRENCH PIT FOR SOIL FARMING
PENDING CD - 201303958	7/18/2013 - G30 - 17-2N-21ECM X201303102 DGLS, LGKC, MRMN SHL NCT 50 FNL, NCT 50 FEL 20-2N-21ECM COMP. INT. NCT 330 FSL, NCT 330 FNL, NCT 660 FEL 17-2N-12ECM NO OP. NAMED REC 7/8/13 (JOHNSON)
SPACING - 612880	7/18/2013 - G30 - (640 HOR) 17-2N-21ECM EST DGLS, LGKC, MRMN POE TO BHL: NLT 660' FB

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