

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

API NUMBER: 045 23377

Approval Date: 07/25/2013
Expiration Date: 01/25/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 21 Twp: 18N Rge: 25W County: ELLIS
SPOT LOCATION: NW NE NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 130 600

Lease Name: PARKER 21-18-25 Well No: 4H Well will be 130 feet from nearest unit or lease boundary.

Operator Name: LINN OPERATING INC Telephone: 4052412200 OTC/OCC Number: 22182 0

LINN OPERATING INC
14000 QUAIL SPRINGS PKWY STE 5000
OKLAHOMA CITY, OK 73134

BRANDON DOUG KNOWLES
HCR 63, BOX 7
ARNETT OK 73832

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

Name	Depth	Name	Depth
1 DOUGLAS	7600	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 78094 Location Exception Orders: 612887 Increased Density Orders: 612748

Pending CD Numbers:

Special Orders:

Total Depth: 12500 Ground Elevation: 2257 **Surface Casing: 550** Depth to base of Treatable Water-Bearing FM: 430

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: 30000 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: CLOUD CHIEF

Approved Method for disposal of Drilling Fluids:

- A. Evaporation/dewater and backfilling of reserve pit.
- B. Solidification of pit contents.
- D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 13-23765
- 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.

PIT 2 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: OIL BASED
Chlorides Max: 300000 Average: 200000
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: 3
Liner required for Category: 3
Pit Location is BED AQUIFER
Pit Location Formation: CLOUD CHIEF

HORIZONTAL HOLE 1

Sec 21 Twp 18N Rge 25W County ELLIS
Spot Location of End Point: SW SE SE SE
Feet From: SOUTH 1/4 Section Line: 250
Feet From: EAST 1/4 Section Line: 600
Depth of Deviation: 6697
Radius of Turn: 575
Direction: 180
Total Length: 4900
Measured Total Depth: 12500
True Vertical Depth: 7600
End Point Location from Lease,
Unit, or Property Line: 250

Table with 3 columns: Additional Surface Owner, Address, City, State, Zip. Rows include Rodney Gene Knowles, Elmer Knowles Trust, Gertru, and Vickie L. Yeager.

Notes:

Table with 2 columns: Category, Description. Rows include INCREASED DENSITY - 612748, LOCATION EXCEPTION - 612887, MEMO, and SPACING - 78094.

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