

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

API NUMBER: 121 24715

Approval Date: 09/19/2013
Expiration Date: 03/19/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 03 Twp: 7N Rge: 12E County: PITTSBURG
SPOT LOCATION: NW SE SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 540 2050

Lease Name: SUSAN Well No: 3-1H Well will be 540 feet from nearest unit or lease boundary.
Operator Name: VANGUARD PERMIAN LLC Telephone: 8323272255 OTC/OCC Number: 23042 0

VANGUARD PERMIAN LLC
5847 SAN FELIPE ST STE 3000
HOUSTON, TX 77057-3399

ARTHUR & SUSAN HOEHNE
PO BOX 1928
MCALESTER OK 74502

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

	Name	Depth	Name	Depth
1	CANEY	4910	6	
2	MAYES	5091	7	
3	WOODFORD	5199	8	
4	HUNTON	5299	9	
5			10	

Spacing Orders: 613743

Location Exception Orders: 614470

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 10462

Ground Elevation: 807

Surface Casing: 280

Depth to base of Treatable Water-Bearing FM: 230

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: AIR

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: 4

Liner not required for Category: 4

Pit Location is BED AQUIFER

Pit Location Formation: SENORA

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

H. SEE MEMO

PERMIT NO: 13-24445

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: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 8000 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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: SENORA

PIT 3 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: SENORA

HORIZONTAL HOLE 1

Sec 03 Twp 7N Rge 12E County PITTSBURG

Spot Location of End Point: NE NW NW NW

Feet From: NORTH 1/4 Section Line: 1

Feet From: WEST 1/4 Section Line: 448

Depth of Deviation: 4729

Radius of Turn: 500

Direction: 360

Total Length: 4709

Measured Total Depth: 10462

True Vertical Depth: 6000

End Point Location from Lease,
Unit, or Property Line: 1

Notes:

Category

Description

LOCATION EXCEPTION - 614470

9/19/2013 - G30 - (I.O.) 3-7N-12E
X613743 CNEY, MYES, HNTN
COMP. INT. NCT 165 FSL, NCT 165 FNL, NCT 330 FWL
VANGUARD PERMIAN, LLC
8/2/13

MEMO

9/19/2013 - G71 - PITS 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, PIT 3 -
OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

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Office of the Conservation Division as to when Surface Casing will be run.

Category

Description

SPACING - 613743

9/19/2013 - G30 - (640 HOR) 3-7N-12E
EXT 605074 CNEY, MYES, WDFD, HNTN
POE TO BHL (CNEY, MYES, HNTN) NLT 660' FB
POE TO BHL (WDFD) NLT 330 FEL/FWL, NLT 165 FNL/FSL

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