API NUMBER: 009 21903

Horizontal Hole Oil & Gas

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

Approval Date: 10/02/2013
Expiration Date: 04/02/2014

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 10N Rge: 25W County: BECKHAM

SPOT LOCATION: NW NW NE NE FEET FROM QUARTER: FROM **NORTH** FROM **EAST**
SECTION LINES: **260** **1215**

Lease Name: CARLSON 32-11-25 **Well No: 9H** **Well will be 260 feet from nearest unit or lease boundary.**

Operator Name: **LINN OPERATING INC** Telephone: 4052412200; 2818404 OTC/OCC Number: 22182 0

LINN OPERATING INC
600 TRAVIS STE 5100
HOUSTON, TX 77002

MATTHEW CARLSON AND LEISHA CARLSON, HW
11353 NORTH 1750 ROAD
SAYRE OK 73662

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

	Name	Depth		Name	Depth
1	GRANITE WASH UP	10965	6		
2			7		
3			8		
4			9		
5			10		

Spacing Orders: 612937
67733

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201306026
201306025

Special Orders:

Total Depth: 16200 Ground Elevation: 2055 **Surface Casing: 400** Depth to base of Treatable Water-Bearing FM: 280

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 OTHER HSA
Pit Location Formation: DOXEY

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: 13-24535
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 OTHER HSA

Pit Location Formation: DOXEY

HORIZONTAL HOLE 1

Sec 32 Twp 11N Rge 25W County BECKHAM

Spot Location of End Point: NE NW NE NE

Feet From: NORTH 1/4 Section Line: 300

Feet From: EAST 1/4 Section Line: 700

Depth of Deviation: 10000

Radius of Turn: 575

Direction: 360

Total Length: 5235

Measured Total Depth: 16200

True Vertical Depth: 10965

End Point Location from Lease,
Unit, or Property Line: 300

Notes:

Category	Description
MEMO	10/2/2013 - G71 - PIT 1 - SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER, PIT 2 - 20-MIL LINER REQUIRED, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 201306025	10/2/2013 - G30 - 32-11N-25W X67733 GRWSU 1 WELL NO OP. NAMED REC 10/1/13 (DECKER)
PENDING CD - 201306026	10/2/2013 - G30 - 32-11N-25W X67733 GRWSU COMP. INT. NCT 300 FNL, NCT 300 FSL, NCT 500 FEL NO OP. NAMED REC 10/1/13 (DECKER, PER ATTORNEY FOR OPERATOR)
SPACING - 612937	10/2/2013 - G30 - (640) 32-11N-25W CLARIFY 67733 GRWSU IS MSRN, GRWSL IS DSMN
SPACING - 67733	10/2/2013 - G30 - (640) 32-11N-25W EST GRWSU, GRWSL, OTHER

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