

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

API NUMBER: 103 24586

Approval Date: 10/03/2013
Expiration Date: 04/03/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 02 Twp: 21N Rge: 1E County: NOBLE
SPOT LOCATION: SW SW SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 320 289

Lease Name: PARMLEY 11-21N-1E Well No: 1WH Well will be 289 feet from nearest unit or lease boundary.

Operator Name: DEVON ENERGY PRODUCTION CO LP Telephone: 4052353611; 4052353 OTC/OCC Number: 20751 0

DEVON ENERGY PRODUCTION CO LP
333 W SHERIDIAN AVE DEC 34.428
OKLAHOMA CITY, OK 73102-5010

PARMLEY FARMS, LLC
175 E CEDAR
PERRY OK 73077

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	4555	6	
2	WOODFORD	4795	7	
3			8	
4			9	
5			10	

Spacing Orders: 614047 Location Exception Orders: 614397 Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 10144 Ground Elevation: 1021 **Surface Casing: 500** Depth to base of Treatable Water-Bearing FM: 100

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 5000 Average: 3000

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: WELLINGTON

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 13-24339

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: 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: WELLINGTON

HORIZONTAL HOLE 1

Sec 11 Twp 21N Rge 1E County NOBLE

Spot Location of End Point: S2 S2 SW SW

Feet From: SOUTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 4109

Radius of Turn: 716

Direction: 189

Total Length: 4910

Measured Total Depth: 10144

True Vertical Depth: 4825

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Category	Description
DEEP SURFACE CASING	10/3/2013 - 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
LOCATION EXCEPTION - 614397	10/3/2013 - G30 - (I.O.) 11-21N-1E X614044 MSSP, WDFD, OTHERS 1ST PERF NCT 150 FNL, NCT 330 FWL LAST PERF NCT 150 FSL, NCT 330 FWL DEVON ENERGY PRODUCTION COMPANY, L.P. 7/31/13
MEMO	10/3/2013 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, CONCRETE LINED PIT FOR SOIL FARMING PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 614047	10/3/2013 - G30 - (640 HOR) 11-21N-1E EXT 606329 MSSP, WDFD, OTHER EST OTHER POE TO BHL (MSSP) NCT 660' FB POE TO BHL (WDFD) NCT 330' FB (SUPERCEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS; COEXSIT WITH PRODUCING NON-HORIZONTAL SPACING UNITS)

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