

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

API NUMBER: 139 24595

Approval Date: 10/11/2013
Expiration Date: 04/11/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 35 Twp: 2N Rge: 19ECM County: TEXAS

SPOT LOCATION: SW SW SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 210 1031

Lease Name: WILSON ESTATE Well No: 1-35H Well will be 210 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

SARAH WILSON, LIFE TENANT & OLEN WILSON,
REMAINDERMAN
7305 JAMESON
AMARILLO TX 79121

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

| Name | Depth | Name | Depth |
|-----------------------|-------|------|-------|
| 1 DOUGLAS | 4650 | 6 | |
| 2 LANSING-KANSAS CITY | 4800 | 7 | |
| 3 MARMATON | 5750 | 8 | |
| 4 | | 9 | |
| 5 | | 10 | |

Spacing Orders: 616164

Location Exception Orders: 616497

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 10413

Ground Elevation: 2779

Surface Casing: 1995

Depth to base of Treatable Water-Bearing FM: 510

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: Yes

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: PERMIUM

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

PERMIT NO: 13-24499

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION

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 35 Twp 2N Rge 19E County TEXAS

Spot Location of End Point: W2 NW NE NE

Feet From: NORTH 1/4 Section Line: 330

Feet From: EAST 1/4 Section Line: 1031

Depth of Deviation: 5500

Radius of Turn: 740

Direction: 360

Total Length: 4500

Measured Total Depth: 10413

True Vertical Depth: 5795

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

Notes:

| Category | Description |
|-----------------------------|---|
| DEEP SURFACE CASING | 10/8/2013 - 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 - 616497 | 10/11/2013 - G30 - (I.O.) 35-2N-19ECM X616164 DGLS, LGKC, MRMN SHL NCT 50 FSL, NCT 50 FEL COMP. INT. NCT 330 FSL, NCT 330 FNL, NCT 660 FEL UNIT PETROLEUM COMPANY 10/1/13 |
| SPACING - 616164 | 10/11/2013 - G30 - (640 HOR) 35-2N-19ECM VAC 83284 MRMN EST DGLS, LGKC, MRMN POE TO BHL NCT 660' FB (COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS; SUPERCEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS) |

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