

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

API NUMBER: 129 23885

Approval Date: 10/17/2013
Expiration Date: 04/17/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 34 Twp: 16N Rge: 23W County: ROGER MILLS
SPOT LOCATION: NW SW SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 390 1425

Lease Name: JAYLEI 34-16-23 Well No: 1H Well will be 390 feet from nearest unit or lease boundary.

Operator Name: APACHE CORPORATION Telephone: 9184914900 OTC/OCC Number: 6778 0

APACHE CORPORATION
6120 S YALE AVE STE 1500
TULSA, OK 74136-4224

GARY LEDDY
8247 N. 1920 RD.
LEEDEY OK 73654

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

Name	Depth	Name	Depth
1 TONKAWA	8490	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 208270

Location Exception Orders: 614286

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 12998

Ground Elevation: 2139

Surface Casing: 600

Depth to base of Treatable Water-Bearing FM: 520

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

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: 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.

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

PERMIT NO: 13-24659

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 34 Twp 16N Rge 23W County ROGER MILLS
Spot Location of End Point: W2 NE NW NW
Feet From: NORTH 1/4 Section Line: 330
Feet From: WEST 1/4 Section Line: 750
Depth of Deviation: 7809
Radius of Turn: 642
Direction: 350
Total Length: 4180
Measured Total Depth: 12998
True Vertical Depth: 8501
End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Table with 2 columns: Category, Description. Includes entries for LOCATION EXCEPTION - 614286, MEMO, and SPACING - 208270 with detailed descriptions of well operations and exceptions.

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API 129-23885

