

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

API NUMBER: 129 23886

Approval Date: 10/21/2013  
Expiration Date: 04/21/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 10 Twp: 11N Rge: 26W County: ROGER MILLS  
SPOT LOCATION:  SE  SW  SE  SE FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 170 1908

Lease Name: **BANKS** Well No: **5-15H** Well will be **170** feet from nearest unit or lease boundary.  
Operator Name: **SANGUINE GAS EXPLORATION LLC** Telephone: 9184964774 OTC/OCC Number: 21381 0

SANGUINE GAS EXPLORATION LLC  
PO BOX 700720  
TULSA, OK 74170-0720

E.L. FOWLER & WILMA G FOWLER TRUSTS  
10867 N 1710 RD  
SWEETWATER OK 73666

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

Name	Depth	Name	Depth
1 GRANITE WASH UP (MO)	10400	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 487140

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201306041

Special Orders:

Total Depth: 17800

Ground Elevation: 2204

**Surface Casing: 500**

Depth to base of Treatable Water-Bearing FM: 310

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

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 located in a Hydrologically Sensitive Area.

**Category of Pit: C**

**Liner not required for Category: C**

Pit Location is OTHER HSA

Pit Location Formation: DOXEY

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

PERMIT NO: 13-24653

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 OTHER HSA

Pit Location Formation: DOXEY

HORIZONTAL HOLE 1

Sec 15 Twp 11N Rge 26W County ROGER MILLS

Spot Location of End Point: SW SW SE SE

Feet From: SOUTH 1/4 Section Line: 300

Feet From: WEST 1/4 Section Line: 1640

Depth of Deviation: 12372

Radius of Turn: 528

Direction: 180

Total Length: 4900

Measured Total Depth: 17800

True Vertical Depth: 13000

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

Notes:

Category

Description

MEMO

10/16/2013 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201306041

10/21/2013 - G30 - 15-11N-26W  
X487140 MSGWU  
COMP. INT. NCT 300 FNL, NCT 300 FSL, NCT 1000 FEL  
NO OP. NAMED  
REC 10/8/13 (M.PORTER)

SPACING - 487140

10/21/2013 - G30 - (640) 15-11N-26W  
EST MSGWU, OTHERS