

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

API NUMBER: 007 25645

Approval Date: 11/01/2013
Expiration Date: 05/01/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 29 Twp: 1N Rge: 21ECM County: BEAVER

SPOT LOCATION: NW NW NW NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 220 231

Lease Name: FRANTZ Well No: 1-29H Well will be 220 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

HOWARD G. & SONJA FRANTZ
RT 1, BOX 20
BALCO OK 73931

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

	Name	Depth	Name	Depth
1	DOUGLAS	5300	6	
2	LANSING-KANSAS CITY	5600	7	
3	MARMATON	6350	8	
4			9	
5			10	

Spacing Orders: 615771

Location Exception Orders: 616897

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 11076

Ground Elevation: 2927

Surface Casing: 1995

Depth to base of Treatable Water-Bearing FM: 450

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: OGALLALA

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

PERMIT NO: 13-24718

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 29 Twp 1N Rge 21E County BEAVER

Spot Location of End Point: W2 SE SW SW

Feet From: SOUTH 1/4 Section Line: 330

Feet From: WEST 1/4 Section Line: 760

Depth of Deviation: 5500

Radius of Turn: 740

Direction: 360

Total Length: 4500

Measured Total Depth: 11076

True Vertical Depth: 6443

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

Notes:

Category	Description
DEEP SURFACE CASING	10/29/2013 - 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 - 616897	11/1/2013 - G30 - (I.O.) 29-1N-21ECM X615771 DGLS, LGKC, MRMN SHL NCT 50 FNL, NCT 50 FWL COMP. INT. NCT 330 FNL, NCT 330 FSL, NCT 660 FWL UNIT PETROLEUM COMPANY 10/11/13
SPACING - 615771	11/1/2013 - G30 - (640 HOR) 29-1N-21ECM EST DGLS, LGKC, MRMN POE TO BHL NCT 660' FB (SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS; COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS)

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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.