

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

API NUMBER: 085 21196

Approval Date: 11/19/2013
Expiration Date: 05/19/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 8S Rge: 2E

County: LOVE

SPOT LOCATION: SE NW SW NW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 785 467

Lease Name: LONGHORN

Well No: 27-1H

Well will be 467 feet from nearest unit or lease boundary.

Operator Name: SILVER CREEK OIL & GAS LLC

Telephone: 9406654373; 9725731

OTC/OCC Number: 22726 0

SILVER CREEK OIL & GAS LLC
5525 N MACARTHUR BLVD STE 775
IRVING, TX 75038-2665

JIMMY THOMPSON
16475 SNAKEWOOD ROAD
MARIETTA OK 74867

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

Name	Depth	Name	Depth
1 ARBUCKLE	6835	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 311108

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201305675
201305823

Special Orders:

Total Depth: 11209

Ground Elevation: 692

Surface Casing: 720

Depth to base of Treatable Water-Bearing FM: 670

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: 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 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: CHICKASHA

H. CLOSED SYSTEM=STEEL PITS REQUIRED - RED RIVER

F. Haul to Commercial soil farming facility: Sec. 22 Twn. 2N Rng. 9E Cnty. 29 Order No: 537817

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 28 Twp 8S Rge 2E County LOVE

Spot Location of End Point: NW NE NE NW

Feet From: NORTH 1/4 Section Line: 47

Feet From: EAST 1/4 Section Line: 362

Depth of Deviation: 7141

Radius of Turn: 550

Direction: 293

Total Length: 6957

Measured Total Depth: 11209

True Vertical Depth: 7657

End Point Location from Lease,
Unit, or Property Line: 47

Notes:

Category	Description
PENDING CD - 201305675	11/19/2013 - G30 - (412.5)(IRR UNIT)(HOR) S2 SW4 & SW4 SE4 21 & NW4 & N2 N2 N2 SW4 27 & NE4 NE4 & N2 NW4 NE4 & NE4 NW4 SE4 & NE4 SE4 NE4 & NE4 NE4 NW4 28-8S-2E VAC 602457 ABCK EST ABCK POE TO BHL NLT 660' FB (SUPERSEDE SP. 80329, 81349, 231045, 311108 ABCK 21, 27 & 28-8S-2E; COEXSIT WITH SP. 237639 ABCK, OUTSTANDING LADY 1, API 085-20761 NE4 NW4 SEC 28) REC 9/17/13 (NORRIS)
PENDING CD - 201305823	11/19/2013 - G30 - S2 SW4 & SW4 SE4 21 & NW4 & N2 N2 N2 SW4 27 & NE4 NE4 & N2 NW4 NE4 & NE4 NW4 SE4 & NE4 SE4 NE4 & NE4 NE4 NW4 28-8S-2E X201305675 ABCK SHL 1115 FSL, 853 FEL 1ST PERF NCT 330 FSL, NCT 330 FEL OF UNIT LAST PERF NCT 330 FSL, NCT 330 FWL OF UNIT BHL NCT 1 FSL, NCT 330 FWL OF UNIT NO OP. NAMED REC 9/24/13 (LEAVITT)