API NUMBER: 009 21909

Oil & Gas

Horizontal Hole

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

Approval Date: 11/21/2013
Expiration Date: 05/21/2014

PERMIT TO DRILL

| | | | | | | | SECTION LINES: | | 250 | | 2300 |
|----------------|------|----|------|-----|------|-----|--------------------|---------|-------|------|------|
| SPOT LOCATION: | NW | NE | N | E | NW | | FEET FROM QUARTER: | FROM | NORTH | FROM | WES |
| WELL LOCATION: | Sec: | 29 | Twp: | 11N | Rge: | 25V | V Cour | ty: BEC | KHAM | | |

Lease Name: JOHNSON 20-11-25 Well No: 10H Well will be 250 feet from nearest unit or lease boundary.

 Operator Name:
 LINN OPERATING INC
 Telephone:
 4052412200; 2818404
 OTC/OCC Number:
 22182
 0

LINN OPERATING INC 14000 QUAIL SPRINGS PKWY STE 5000

OKLAHOMA CITY, OK 73134-2619

LORITA F JOHNSON, TRUSTEE

1409 WEST COUNTRY CLUB BOULEVARD

ELK CITY OK 73644

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

| I | Name | Depth | Name | Depth |
|-----------------|------------|----------------------------|------|---------------------------|
| 1 1 | MISSOURIAN | 11600 | 6 | |
| 2 | | | 7 | |
| 3 | | | 8 | |
| 4 | | • | 9 | |
| 5 | | | 10 | |
| Spacing Orders: | 249513 | Location Exception Orders: | | Increased Density Orders: |

Pending CD Numbers: 201306944 Special Orders:

201306943

Total Depth: 16500 Ground Elevation: 2087 Surface Casing: 540 Depth to base of Treatable Water-Bearing FM: 420

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: Yes Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 30000 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: OGALLALA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

B. Solidification of pit contents.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 13-24950

H. SEE MEMO

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: OGALLALA

HORIZONTAL HOLE 1

Sec 20 Twp 11N Rge 25W County BECKHAM

Spot Location of End Point: NW NW NE NW
Feet From: NORTH 1/4 Section Line: 300
Feet From: WEST 1/4 Section Line: 1350

Depth of Deviation: 11000
Radius of Turn: 575
Direction: 350
Total Length: 4700

Measured Total Depth: 16500

True Vertical Depth: 11600

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

Notes:

Category Description

MEMO 11/21/2013 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM

RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201306943 11/21/2013 - G30 - 20-11N-25W

X249513 MSRN 2 WELLS

NO OP. NAMED

REC 11/19/13 (P.PORTER)

PENDING CD - 201306944 11/21/2013 - G30 - 20-11N-25W

X249513 MSRN

COMP. INT. NCT 300 FNL, NCT 300 FSL, NCT 500 FWL

NO OP. NAMED

REC 11/19/13 (P.PORTER)

SPACING - 249513 11/21/2013 - G30 - (640) 20-11N-25W

EXT 207398 MSRN, OTHERS