

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

API NUMBER: 117 23564

Approval Date: 12/03/2013
Expiration Date: 06/03/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 08 Twp: 20N Rge: 5E County: PAWNEE
SPOT LOCATION: SE SW SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 150 400

Lease Name: **BROKEN HILL** Well No: **1-8H** Well will be **150** feet from nearest unit or lease boundary.

Operator Name: **RED FORK (USA) INVESTMENTS INC** Telephone: 9188791913; 9184319 OTC/OCC Number: 22094 0

RED FORK (USA) INVESTMENTS INC
1437 S BOULDER AVE STE 700
TULSA, OK 74119-3617

RED FORK (USA) INVESTMENTS, INC
1437 S. BOULDER AVE., SUITE 700
TULSA OK 74119

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	3600	6	
2	WOODFORD	3700	7	
3			8	
4			9	
5			10	

Spacing Orders: 616655

Location Exception Orders: 617513

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 8300

Ground Elevation: 1035

Surface Casing: 380

Depth to base of Treatable Water-Bearing FM: 280

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: OSCAR

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

PERMIT NO: 13-25014

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 08 Twp 20N Rge 5E County PAWNEE

Spot Location of End Point: NE NW NW NW

Feet From: SOUTH 1/4 Section Line: 2480

Feet From: WEST 1/4 Section Line: 400

Depth of Deviation: 3000

Radius of Turn: 900

Direction: 360

Total Length: 5000

Measured Total Depth: 8300

True Vertical Depth: 3700

End Point Location from Lease,
Unit, or Property Line: 160

Notes:

Category

Description

LOCATION EXCEPTION - 617513

12/3/2013 - G30 - (I.O.) 8-20N-5E
X616655 MSSP, WDFD
1ST PERF NCT 150 FNL/FSL, NCT 330 FEL/FWL
LAST PERF NCT 150 FSL/FNL, NCT 330 FEL/FWL
RED FORK (USA) INVESTMENTS, INC. D.B.A. REDFORK ENERGY
10/30/13

SPACING - 616655

12/3/2013 - G30 - (640 HOR) 8-20N-5E
EST MSSP, WDFD
POE TO BHL (MSSP) NLT 660' FB, NCT 600' FWB
POE TO BHL (WDFD) NLT 330' FB, NCT 600' FWB