

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

API NUMBER: 129 23901

Approval Date: 12/17/2013  
Expiration Date: 06/17/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 22 Twp: 14N Rge: 24W County: ROGER MILLS  
SPOT LOCATION:  S2  S2  SE  SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 250 660

Lease Name: FARRELL 22-14-24 Well No: 1H Well will be 250 feet from nearest unit or lease boundary.  
Operator Name: APACHE CORPORATION Telephone: 9184914900 OTC/OCC Number: 6778 0

APACHE CORPORATION  
6120 S YALE AVE STE 1500  
TULSA, OK 74136-4224

KAREN FARRELL LIFE ESTATE  
1900 SOUTH L.L. MALES AVENUE  
CHEYENNE OK 73628

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

Name	Depth	Name	Depth
1 MARMATON	10591	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 128051

Location Exception Orders:

Increased Density Orders: 618522

Pending CD Numbers: 201306728

Special Orders:

Total Depth: 16100

Ground Elevation: 2057

**Surface Casing: 620**

Depth to base of Treatable Water-Bearing FM: 570

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 200000 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: CLOUD CHIEF

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

H. SEE MEMO

PERMIT NO: 13-25111

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: 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: CLOUD CHIEF

HORIZONTAL HOLE 1

Sec 22 Twp 14N Rge 24W County ROGER MILLS
Spot Location of End Point: E2 NW NW NE
Feet From: NORTH 1/4 Section Line: 330
Feet From: EAST 1/4 Section Line: 2100
Depth of Deviation: 10695
Radius of Turn: 573
Direction: 344
Total Length: 4707
Measured Total Depth: 16100
True Vertical Depth: 11207
End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Table with 2 columns: Category, Description. Rows include INCREASED DENSITY - 618522, MEMO, PENDING CD - 201306728, SPACING - 128051, and WATERSHED STRUCTURE.

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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.