

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

API NUMBER: 129 23912

Approval Date: 01/29/2014
Expiration Date: 07/29/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 16N Rge: 26W County: ROGER MILLS
SPOT LOCATION: SE NE NE NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 342 2521

Lease Name: MCKEAN Well No: 1H-22 Well will be 342 feet from nearest unit or lease boundary.
Operator Name: LE NORMAN OPERATING LLC Telephone: 4055481200 OTC/OCC Number: 22738 0

LE NORMAN OPERATING LLC
4727 GAILLARDIA PKWY STE 200
OKLAHOMA CITY, OK 73142-1881

ALBERT SMITH
7824 NORTH 1720 ROAD
DURHAM OK 73642

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

	Name	Depth	Name	Depth
1	CLEVELAND	9850	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 135140

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201400040

Special Orders:

Total Depth: 13027

Ground Elevation: 2380

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 680

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 40000 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.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-26323

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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 22 Twp 16N Rge 26W County ROGER MILLS

Spot Location of End Point: C N2 NE NW

Feet From: NORTH 1/4 Section Line: 330

Feet From: WEST 1/4 Section Line: 1980

Depth of Deviation: 7525

Radius of Turn: 580

Direction: 180

Total Length: 4591

Measured Total Depth: 13027

True Vertical Depth: 9850

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

Notes:

Category	Description
DEEP SURFACE CASING	1/29/2014 - 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
PENDING CD - 201400040	1/29/2014 - G30 - 22-16N-26W X135140 CLVD SHL NCT 250 FNL, NCT 1320 FWL 27-16N-26W 1ST PERF NCT 330 FSL, NCT 1320 FWL 22-16N-26W LAST PERF NCT 330 FNL, NCT 1320 FWL 22-16N-26W NO OP. NAMED HEARING 1/28/14
SPACING - 135140	1/29/2014 - G30 - (640) 22-16N-26W EXT 100037 CLVD EXT OTHERS EST OTHERS

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.