

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

API NUMBER: 129 23913

Approval Date: 01/29/2014

Expiration Date: 07/29/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 14N Rge: 24W

County: ROGER MILLS

SPOT LOCATION:  SW  SW  SE  SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 300 1540

Lease Name: LACEY 16-14-24

Well No: 1H

Well will be 300 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

W&S TURLEY, LTD, A LIMITED PARTNERSHIP, AND  
SHIRLEY TURLEY GST EXEMPT TRUST OF ROGER MILLS  
COUNTY

8468 N. 1750 ROAD  
A/K/A TURLEY RANCH  
DURHAM OK 73642

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

Name	Depth	Name	Depth
1 MARMATON	10507	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 128051

Location Exception Orders:

Increased Density Orders: 616204

Pending CD Numbers: 201400170

Special Orders:

Total Depth: 15600

Ground Elevation: 2070

**Surface Casing: 560**

Depth to base of Treatable Water-Bearing FM: 510

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)

PERMIT NO: 14-26263

H. SEE MEMO

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 16 Twp 14N Rge 24W County ROGER MILLS
Spot Location of End Point: C N2 N2 NW
Feet From: NORTH 1/4 Section Line: 330
Feet From: WEST 1/4 Section Line: 1320
Depth of Deviation: 10576
Radius of Turn: 573
Direction: 358
Total Length: 4585
Measured Total Depth: 15600
True Vertical Depth: 11107
End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Table with 2 columns: Category, Description. Contains notes about increased density, memo regarding pits, pending CD, and spacing.

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