

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

API NUMBER: 119 24180

Approval Date: 02/04/2014
Expiration Date: 08/04/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 19N Rge: 1W

County: PAYNE

SPOT LOCATION: SW SE SW SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 175 665

Lease Name: B & W GREENSHIELDS TRUST

Well No: 1-23H

Well will be 175 feet from nearest unit or lease boundary.

Operator Name: B & W OPERATING LLC

Telephone: 4052361807

OTC/OCC Number: 21277 0

B & W OPERATING LLC
100 PARK AVE STE 1020
OKLAHOMA CITY, OK 73102-5601

MARY EVANS GREENSHIELDS TRUST
P.O. BOX 830308
DALLAS TX 75283

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

	Name	Depth	Name	Depth
1	BIG LIME	4468	6	
2	OSWEGO	4502	7	
3	MISSISSIPPIAN	4966	8	
4	WOODFORD	5142	9	
5	MISENER-HUNTON	5187	10	

Spacing Orders: 613160
613484

Location Exception Orders: 616494

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 9350

Ground Elevation: 1076

Surface Casing: 540

Depth to base of Treatable Water-Bearing FM: 490

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: 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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: WELLINGTON

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 14-26341

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 23 Twp 19N Rge 1W County PAYNE

Spot Location of End Point: W2 NE NW NW

Feet From: SOUTH 1/4 Section Line: 2310

Feet From: WEST 1/4 Section Line: 665

Depth of Deviation: 4200

Radius of Turn: 600

Direction: 360

Total Length: 4207

Measured Total Depth: 9350

True Vertical Depth: 5210

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

Notes:

Category

Description

LOCATION EXCEPTION - 616494

2/4/2014 - G75 - (I.O.) 23-19N-1W
X613160/613484 BGLM, OSWG, MSSP, WDFD, MSRH
SHL NCT 200 FSL, NCT 200 FWL **
COMPL. INT. (BGLM, OSWG) NCT 300 FSL, NCT 300 FNL, NCT 500 FWL
COMPL. INT. (OTHERS) NCT 200 FSL, NCT 200 FNL, NCT 500 FWL
B & W OP., LLC
10-1-2013

** ITD HAS SHL AS 175 FSL; TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION
EXCEPTION PER OPERATOR

SPACING - 613160

2/4/2014 - G75 - (640/160) 23-19N-1W
EST (160)(VER) BGLM, OSWG, OTHERS
EXT (160)(VER) OTHERS
EXT (640)(HOR) 606158 MSSP, WDFD, MSRH, OTHER
POE TO BHL (WDFD) NCT 330' FB
POE TO BHL (MSSP, MSRH) NCT 660' FB

SPACING - 613484

2/4/2014 - G75 - NPT 613160 CHANGING BGLM & OSWG TO (640)(HOR) WITH POE TO BHL NCT
660' FB