

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

API NUMBER: 045 23433

Approval Date: 02/10/2014
Expiration Date: 08/10/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 36 Twp: 17N Rge: 24W

County: ELLIS

SPOT LOCATION: SE SE SE SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 250 250

Lease Name: DUNN

Well No: 1H-1

Well will be 250 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

THOMAS R C BERRYMAN
P O BOX 787
ASHLAND KS 67831

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

Name	Depth	Name	Depth
1 CLEVELAND	9750	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 618009

Location Exception Orders: 618260

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 15171

Ground Elevation: 2222

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 590

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: 35000 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.

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 01 Twp 16N Rge 24W County ELLIS

Spot Location of End Point: C S2 SE SW

Feet From: SOUTH 1/4 Section Line: 330

Feet From: WEST 1/4 Section Line: 1980

Depth of Deviation: 8993

Radius of Turn: 580

Direction: 180

Total Length: 5267

Measured Total Depth: 15171

True Vertical Depth: 9750

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

Additional Surface Owner	Address	City, State, Zip
LARRY R DAWSON	HCR 63, BOX 46	ARNETT, OK 73832

Notes:

Category	Description
DEEP SURFACE CASING	2/7/2014 - 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
LOCATION EXCEPTION - 618260	2/7/2014 - G30 - (I.O.) 1-16N-24W X618009 CLVD, OTHER SHL 250 FSL, 250 FEL 36-17N-24W COMP. INT. NCT 330 FNL, NCT 330 FSL, NCT 1980 FWL 1-16N-24W LENORMAN OPERATING LLC 11/19/13
SPACING - 618009	2/7/2014 - G30 - (640 HOR) 1-16N-24W EST CLVD, EXT OTHER POE TO BHL NLT 660' FB (SUPERSEDE NON-PRODUCING NON-HORIZONTAL SPACING UNITS; COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS)