

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

API NUMBER: 007 25665

Approval Date: 02/11/2014

Expiration Date: 08/11/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 2N Rge: 20ECM County: BEAVER

SPOT LOCATION: ☐ NE ☐ SW ☐ SE ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 335 725

Lease Name: GIFT RANCH Well No: 1-23H Well will be 335 feet from nearest unit or lease boundary.

Operator Name: UNIT PETROLEUM COMPANY

Telephone: 9184937700; 9184937

OTC/OCC Number: 16711 0

UNIT PETROLEUM COMPANY
PO BOX 702500
TULSA, OK 74170-2500

GIFT RANCH, LLC ATTN: FREDDIE GIFT
RR. 2, BOX 99
BALKO OK 73931

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

	Name	Depth	Name	Depth
1	MARMATON	6000	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201400223
201400221

Special Orders:

Total Depth: 10913 Ground Elevation: 2847

Surface Casing: 1995

Depth to base of Treatable Water-Bearing FM: 760

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: Yes

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 20000 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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: OGALLALA

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-26245
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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 2N Rge 20E County BEAVER

Spot Location of End Point: NE NW NE NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 900

Depth of Deviation: 5371

Radius of Turn: 740

Direction: 358

Total Length: 4379

Measured Total Depth: 10913

True Vertical Depth: 6111

End Point Location from Lease,

Unit, or Property Line: 165

Notes:

Category

Description

DEEP SURFACE CASING

2/3/2014 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

PENDING CD - 201400221

2/4/2014 - G75 - (640)(HOR) 23-2N-20ECM
EXT OTHERS
EXT 613845 MRMN
POE TO BHL NLT 660' FB
REC 2-3-2014 (MCKEOWN)

PENDING CD - 201400223

2/4/2014 - G75 - (I.O.) 23-2N-20ECM
X201400221 MRMN
SHL NCT 335 FSL, NCT 694 FEL
COMPL. INT. NCT 165 FSL, NCT 165 FNL, NCT 660 FEL
NO OP. NAMED
REC 2-10-2014 (JOHNSON)

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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.

007 25665 GIFT RANCH 1-23H