

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

API NUMBER: 119 24194

Approval Date: 03/13/2014  
Expiration Date: 09/13/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 14 Twp: 19N Rge: 1E

County: PAYNE

SPOT LOCATION:  NE  NW  NE  NE

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 2438 1814

Lease Name: B&W OLTMANNNS

Well No: 1-14H

Well will be 202 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

KARL OLTMANNNS TRUST  
2001 S. WALKING TRAIL DR., #4  
STILLWATER OK 74074

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	4500	6 VIOLA	4750
2 WOODFORD	4620	7	
3 MISENER	4650	8	
4 HUNTON	4675	9	
5 SYLVAN	4700	10	

Spacing Orders: 614753

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201401113

Special Orders:

Total Depth: 9400

Ground Elevation: 893

**Surface Casing: 400**

Depth to base of Treatable Water-Bearing FM: 230

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: 10000 Average: 2000

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: 1A

Liner required for Category: 1A

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 14-26440

H. 20-MIL PIT LINER REQUIRED

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 14 Twp 19N Rge 1E County PAYNE

Spot Location of End Point: SE SW SE SE

Feet From: SOUTH 1/4 Section Line: 175

Feet From: WEST 1/4 Section Line: 1840

Depth of Deviation: 4200

Radius of Turn: 550

Direction: 179

Total Length: 4336

Measured Total Depth: 9400

True Vertical Depth: 4750

End Point Location from Lease,  
Unit, or Property Line: 175

Notes:

Category

Description

PENDING CD - 201401113

3/12/2014 - G75 - (I.O.) 14-19N-1E  
X614753 MSSP, WDFD, MSNR, HNTN, SLVN, VIOL, OTHERS  
COMPL. INT. (VIOL) NCT 330 FNL, NCT 330 FSL, NCT 660 FEL  
COMPL. INT. (OTHERS) NCT 175 FNL, NCT 175 FSL, NCT 660 FEL  
NO OP. NAMED  
REC 3-10-2014 (DECKER)

SPACING - 614753

3/12/2014 - G75 - (640)(HOR) 14-19N-1E  
VAC 300109 MISS, MSNR, OTHER  
VAC 315494 MISS, MSNR, HNTN, VIOL, OTHER  
EST VIOL  
EXT 613574 MSSP, WDFD, MSNR, HNTN, SLVN, OTHERS  
POE TO BHL (WDFD) NCT 330' FB  
POE TO BHL (OTHERS) NCT 660' FB  
(SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS; COEXIST WITH  
PRODUCING NON-HORIZONTAL SPACING UNITS)