

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

API NUMBER: 119 24196

Approval Date: 03/19/2014
Expiration Date: 09/19/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 20N Rge: 3E County: PAYNE
SPOT LOCATION: SW NW NW NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 590 148

Lease Name: TERESA 36-20N-2E Well No: 1WH Well will be 148 feet from nearest unit or lease boundary.

Operator Name: DEVON ENERGY PRODUCTION CO LP Telephone: 4052353611; 4052353 OTC/OCC Number: 20751 0

DEVON ENERGY PRODUCTION CO LP
333 W SHERIDAN AVE DEC 34.428
OKLAHOMA CITY, OK 73102-5010

COMMISSIONERS OF THE LAND OFFICE
120 N. ROBINSON, SUITE 1000W
OKLAHOMA CITY OK 73102

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	4380	6	
2 WOODFORD	4547	7	
3 SYLVAN	4589	8	
4 VIOLA	4600	9	
5		10	

Spacing Orders: 622032

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201400564

Special Orders:

Total Depth: 9489

Ground Elevation: 948

Surface Casing: 450

Depth to base of Treatable Water-Bearing FM: 250

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

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: 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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: OSCAR

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

PERMIT NO: 14-26411

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: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: OSCAR

HORIZONTAL HOLE 1

Sec 36 Twp 20N Rge 2E County PAYNE

Spot Location of End Point: SW SE SE SE

Feet From: SOUTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 400

Depth of Deviation: 3900

Radius of Turn: 716

Direction: 186

Total Length: 3961

Measured Total Depth: 9489

True Vertical Depth: 4616

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Category

Description

MEMO

3/19/2014 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, CONCRETE LINED PIT FOR SOIL FARMING PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201400564

3/19/2014 - G30 - 36-20N-2E
X201400295 MSSP, WDFD, SLVN, VIOL, OTHERS
MSSP, WDFD, SLVN: 1ST PERF NCT 150 FSL, NCT 330 FEL
LAST PERF NCT 150 FNL, NCT 330 FEL
VIOL: 1ST PERF NCT 330 FSL, NCT 330 FEL
LAST PERF NCT 330 FNL, NCT 330 FEL
NO OP. NAMED
REC 2/18/14 (NORRIS)

SPACING - 622032

3/19/2014 - G30 - (640 HOR) 36-20N-2E
VAC 256617 MSSP, VIOL, OTHER
EXT 607057 MSSP, WDFD
EST SLVN, VIOL, OTHERS
POE TO BHL (MSSP, VIOL) NCT 660' FB
POE TO BHL (WDFD, SLVN) NCT 330' FB
(SUPERCEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS; COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS)

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