

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

API NUMBER: 119 24199

Approval Date: 03/21/2014
Expiration Date: 09/21/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 21 Twp: 18N Rge: 1W County: PAYNE
SPOT LOCATION: NW SW SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 350 1152

Lease Name: JALETA 21-18N-1W Well No: 1WH Well will be 350 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

J.D. THOMASON AND JALETA THOMASON
18800 W. 92ND STREET
MULHALL OK 73063

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	5017	6	
2	WOODFORD	5202	7	
3	SYLVAN	5272	8	
4	VIOLA	5300	9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201401321
201401322

Special Orders:

Total Depth: 10162 Ground Elevation: 978 **Surface Casing: 450** Depth to base of Treatable Water-Bearing FM: 180

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: WELLINGTON

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

PERMIT NO: 14-26650

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: WELLINGTON

HORIZONTAL HOLE 1

Sec 21 Twp 18N Rge 1W County PAYNE

Spot Location of End Point: NW NE NE NE

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 450

Depth of Deviation: 4572

Radius of Turn: 716

Direction: 7

Total Length: 4204

Measured Total Depth: 10162

True Vertical Depth: 5300

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

Notes:

Category	Description
DEEP SURFACE CASING	3/20/2014 - 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
MEMO	3/20/2014 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - CIMARRON RIVER), CONCRETE LINED PIT FOR SOIL FARMING PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 201401321	3/21/2014 - G30 - (E.O.)(640 HOR) 21-18N-1W VAC 125533/124840 MSSLM EXT 618525 MSSP, WDFD, SLVN, VIOL, OTHERS POE TO BHL (MSSP, VIOL) NCT 660' FB POE TO BHL (WDFD, SLVN) NCT 330' FB (SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS; COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS) REC 2/28/14 (OSBURN)
PENDING CD - 201401322	3/21/2014 - G30 - (E.O.) 21-18N-1W X201401321 MSSP, WDFD, SLVN, VIOL, OTHER MSSP, WDFD, SLVN: 1ST PERF NCT 150 FNL, NCT 330 FEL LAST PERF NCT 150 FSL, NCT 330 FEL VIOL: 1ST PERF NCT 330 FNL, NCT 330 FEL LAST PERF NCT 330 FSL, NCT 330 FEL NO OP. NAMED REC 2/28/14 (OSBURN)

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.