

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

API NUMBER: 009 21902 A

Approval Date: 03/31/2014

Expiration Date: 09/30/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 28 Twp: 11N Rge: 21W County: BECKHAM

SPOT LOCATION: FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 445 659

Lease Name: APACHE 20-11-21 Well No: 1H Well will be 445 feet from nearest unit or lease boundary.

Operator Name: APACHE CORPORATION

Telephone: 9184914900; 9184914

OTC/OCC Number: 6778 0

APACHE CORPORATION
6120 S YALE AVE STE 1500
TULSA, OK 74136-4224

APACHE CORPORATION
6120 SOUTH YALE AVE., SUITE 1500
TULSA OK 74136

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

Name	Depth	Name	Depth
1 DES MOINES	12786	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 131148

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201305857

Special Orders:

Total Depth: 18200

Ground Elevation: 1995

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 570

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 25000 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: ELK CITY

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 12-24486

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: ON SITE

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: 3

Liner required for Category: 3

Pit Location is BED AQUIFER

Pit Location Formation: ELK CITY

HORIZONTAL HOLE 1

Sec 20 Twp 11N Rge 21W County BECKHAM

Spot Location of End Point: N2 N2 NE NE

Feet From: NORTH 1/4 Section Line: 200

Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 12427

Radius of Turn: 573

Direction: 1

Total Length: 5552

Measured Total Depth: 18200

True Vertical Depth: 13000

End Point Location from Lease,
Unit, or Property Line: 200

Notes:

Category	Description
DEEP SURFACE CASING	9/27/2013 - 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	9/27/2013 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 201305857	9/30/2013 - G30 - 20-11N-21W X131148 DSMN SHL NCT 10 FNL, NCT 10 FWL 28-11N-12W 1ST PERF NCT 330 FSL, NCT 500 FEL 20-11N-21W LAST PERF NCT 330 FNL, NCT 500 FEL 20-11N-21W NO OP. NAMED REC 9/24/13 (JOHNSON)
SPACING - 131148	9/30/2013 - G30 - (640) 20-11N-21W EST DSMN, OTHERS

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009 21902 APACHE 20-11-21 1H