

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

API NUMBER: 083 24275 A

Approval Date: 03/14/2014
Expiration Date: 09/14/2014

Horizontal Hole Oil & Gas

Amend reason: CHANGE DISPOSAL METHOD

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 18N Rge: 2W

County: LOGAN

SPOT LOCATION: NW NE NW NW

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 175 800

Lease Name: LOESCH

Well No: 1-31H

Well will be 175 feet from nearest unit or lease boundary.

Operator Name: STEPHENS PRODUCTION CO

Telephone: 4797834191

OTC/OCC Number: 23030 0

STEPHENS PRODUCTION CO
PO BOX 2407
FORT SMITH, AR 72902-2407

PAULA J LOESCH
11226 E SKELETON ROAD
FAIRMOUNT OK 73736

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

Name	Depth	Name	Depth
1	MISSISSIPPIAN	5420	6
2			7
3			8
4			9
5			10

Spacing Orders: 615668

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201401133
201401132

Special Orders:

Total Depth: 11000

Ground Elevation: 955

Surface Casing: 500

Depth to base of Treatable Water-Bearing FM: 250

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: 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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: GARBER

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 14-26707

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 31 Twp 18N Rge 2W County LOGAN

Spot Location of End Point: SE SE SW SW

Feet From: SOUTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 1000

Depth of Deviation: 5000

Radius of Turn: 600

Direction: 180

Total Length: 5000

Measured Total Depth: 11000

True Vertical Depth: 5780

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

Notes:

Category	Description
PENDING CD - 201401132	3/14/2014 - G30 - 31-18N-2W X615668 MSSP 2 WELLS NO OP. NAMED REC 3/10/14 (M.PORTER)
PENDING CD - 201401133	3/14/2014 - G30 - 31-18N-2W X615668 MSSP COMP. INT. NCT 150 FNL/FSL, NCT 660 FWL NO OP. NAMED REC 3/10/14 (M.PORTER)
SPACING - 615668	3/14/2014 - G30 - (640 HOR) 31-18N-2W DEL 365227 WDFD, HNTN EST MSRH EXT 613443 MSSP, WDFD POE TO BHL (MSSP, MSRH) NCT 660' FB POE TO BHL (WDFD) NCT 330' FB