

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

API NUMBER: 083 24284

Approval Date: 04/01/2014  
Expiration Date: 10/01/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 08 Twp: 16N Rge: 4W County: LOGAN  
SPOT LOCATION:  NE  NE  NE  NW FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 225 2450

Lease Name: KIPGEN Well No: 2-8H Well will be 225 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

CHARLES & JEAN WILLSON  
3116 SAWGRASS RD  
EDMOND OK 73034

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	6295	6	
2	WOODFORD	6655	7	
3	HUNTON	6723	8	
4			9	
5			10	

Spacing Orders: 608813 Location Exception Orders: 619176 Increased Density Orders: 618698  
608814  
613119

Pending CD Numbers:

Special Orders:

Total Depth: 12350 Ground Elevation: 1005 **Surface Casing: 600** 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: 1B

Liner required for Category: 1B

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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 08 Twp 16N Rge 4W County LOGAN

Spot Location of End Point: S2 S2 SE SE

Feet From: SOUTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 6383

Radius of Turn: 600

Direction: 150

Total Length: 5100

Measured Total Depth: 12350

True Vertical Depth: 6933

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

Notes:

Category	Description
DEEP SURFACE CASING	3/26/2014 - 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
INCREASED DENSITY - 618698	4/1/2014 - G30 - 8-16N-4W X608813/613119 HNTN 2 WELLS STEPHENS PRODUCTION COMPANY 12/3/13
LOCATION EXCEPTION - 619176	4/1/2014 - G30 - (I.O.) 8-16N-4W X608813/613119 MSSP, HNTN X608814/613119 WDFD COMP. INT. NCT 150 FNL, NCT 150 FSL, NCT 660 FWL STEPHENS PRODUCTION COMPANY 12/13/13
SPACING - 608813	4/1/2014 - G30 - (640 HOR) 8-16N-4W EST MSSP, HNTN POE TO BHL NCT 660' FB (COEXIST WITH SP. 59564, MISS & SP. 164264 HNTN HERREN 8-1, NE4, API 083-21932; WILLSON 1, NW4, API 083-21748; BASS-ZACHGO UNIT 1, SW4, API 083-21749; SHIELDS HERREN 1, SE4, API 083-20369)
SPACING - 608814	4/1/2014 - G30 - (640 HOR) 8-16N-4W EST WDFD POE TO BHL NCT 330' FB (SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS; COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS)
SPACING - 613119	4/1/2014 - G30 - (640) 8-16N-4W CONFIRM 608813 MSSP, HNTN CONFIRM 608814 WDFD

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