

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

API NUMBER: 095 20606 A

Approval Date: 02/06/2013
Expiration Date: 08/06/2013

Horizontal Hole Oil & Gas

Amend reason: CORRECTED LOCATION PER REQUEST OF OCC.
WELL WAS IN WRONG QUARTER SECTION.

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 6S Rge: 6E County: MARSHALL
SPOT LOCATION: NE NE NW NW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2405 1299

Lease Name: EDWARD TEACH Well No: 2-35H Well will be 235 feet from nearest unit or lease boundary.
Operator Name: MERIT ENERGY COMPANY Telephone: 9726281569 OTC/OCC Number: 18934 0

MERIT ENERGY COMPANY
13727 NOEL RD STE 1200
DALLAS, TX 75240-7312

J. W. O'BANION
2712 32ND STREET
SNYDER TX 79549

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

Name	Depth	Name	Depth
1 WOODFORD	6450	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 552050 Location Exception Orders: 608080 Increased Density Orders: 608140
611476

Pending CD Numbers:

Special Orders:

Total Depth: 13000 Ground Elevation: 723 Surface Casing: 900 Depth to base of Treatable Water-Bearing FM: 840

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: BOKCHITO

F. Haul to Commercial soil farming facility: Sec. 28 Twn. 5S Rng. 3W Cnty. 19 Order No: 533041

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: BOKCHITO

HORIZONTAL HOLE 1

Sec 35 Twp 5S Rge 6E County MARSHALL

Spot Location of End Point: N2 NE NE NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 330

Depth of Deviation: 6300

Radius of Turn: 500

Direction: 179

Total Length: 4900

Measured Total Depth: 13000

True Vertical Depth: 7100

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Category

Description

MEMO

1/22/2013 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

PENDING CD - 201300106

1/22/2013 - G30 - 35-5S-6E
X552050 WDFD, OTHERS
SHL NFT 330 FNL, NCT 660 FWL 1-6S-6E
1ST PERF NCT 165 FSL, NCT 330 FEL 35-5S-6E
LAST PERF NCT 165 FNL, NCT 330 FEL 35-5S-6E
NO OP. NAMED
REC 2/5/13 (NORRIS)

PENDING CD - 201300108

1/22/2013 - G30 - 35-5S-6E
X552050 WDFD
1 WELL
NO OP. NAMED
REC 2/5/13 (NORRIS)

SPACING - 552050

1/22/2013 - G30 - (640) 35-5S-6E
EXT 544815 WDFD, OTHERS

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