

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

API NUMBER: 129 23936

Approval Date: 04/08/2014  
Expiration Date: 10/08/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 26 Twp: 14N Rge: 23W County: ROGER MILLS  
SPOT LOCATION:  SW  SE  SE  SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 259 1997

Lease Name: MCGARRAUGH Well No: 1H-35 Well will be 259 feet from nearest unit or lease boundary.  
Operator Name: LE NORMAN OPERATING LLC Telephone: 4055481200 OTC/OCC Number: 22738 0

LE NORMAN OPERATING LLC  
4700 GAILLARDIA PKWY STE 200  
OKLAHOMA CITY, OK 73142-1881

RICHARD E. SMALLEY III  
911 THISTLEWOOD  
NORMAN OK 73072

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

Name	Depth	Name	Depth
1 CLEVELAND	11225	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 226959

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201401110

Special Orders:

Total Depth: 16300

Ground Elevation: 1952

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 440

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

**PIT 1 INFORMATION**

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 8000 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: CLOUD CHIEF

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 14-26876

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: 40000 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: 3
Liner required for Category: 3
Pit Location is BED AQUIFER
Pit Location Formation: CLOUD CHIEF

HORIZONTAL HOLE 1

Sec 35 Twp 14N Rge 23W County ROGER MILLS
Spot Location of End Point: SW SE SE SW
Feet From: SOUTH 1/4 Section Line: 259
Feet From: WEST 1/4 Section Line: 1997
Depth of Deviation: 10720
Radius of Turn: 580
Direction: 180
Total Length: 4631
Measured Total Depth: 16300
True Vertical Depth: 11300
End Point Location from Lease,
Unit, or Property Line: 330

Table with 3 columns: Additional Surface Owner, Address, City, State, Zip. Row 1: ELIZABETH ANN WHITMIRE, 316 CHALMETTE DRIVE APT C, NORMAN, OK 73071

Notes:

Table with 2 columns: Category, Description. Rows include DEEP SURFACE CASING, MEMO, PENDING CD - 201401110, and SPACING - 226959 with detailed descriptions of casing operations and permits.

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.