API NUMBER: 129 23938

Oil & Gas

Horizontal Hole

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

Approval Date: 04/09/2014 Expiration Date: 10/09/2014

PERMIT TO DRILL

 WELL LOCATION:
 Sec:
 27
 Twp:
 14N
 Rge:
 24W
 County:
 ROGER MILLS

 SPOT LOCATION:
 NW
 NE
 NW
 FEET FROM QUARTER:
 FROM
 NORTH
 FROM
 WEST

 SECTION LINES:
 170
 1355

Lease Name: FARRELL 22-14-24 Well No: 2H Well will be 170 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

DENA ROWLAN FKA FARRELL, REMAINDERMAN 1900 SOUTH LL MALES AVENUE

CHEYENNE OK 73628

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

Name Depth Name Depth MARMATON 1 10596 6 2 7 8 3 4 9 10 128051 Spacing Orders: Location Exception Orders: Increased Density Orders:

Pending CD Numbers: 201401786 Special Orders:

201401787

Total Depth: 16300 Ground Elevation: 2127 Surface Casing: 600 Depth to base of Treatable Water-Bearing FM: 540

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: 200000 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 OTHER HSA

Pit Location Formation: DOXEY

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-26703

H. SEE MEMO

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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 OTHER HSA

Pit Location Formation: DOXEY

HORIZONTAL HOLE 1

Sec 22 Twp 14N Rge 24W County ROGER MILLS

Spot Location of End Point: C N2 N2 NW
Feet From: NORTH 1/4 Section Line: 330
Feet From: WEST 1/4 Section Line: 1320

Depth of Deviation: 10698 Radius of Turn: 573

Direction: 1

Total Length: 5095

Measured Total Depth: 16300

True Vertical Depth: 11207

End Point Location from Lease,
Unit, or Property Line: 330

Additional Surface Owner	Address	City, State, Zip
KAREN FARRELL LIFE ESTATE	1900 SOUTH L.L. MALES AVENUE	CHEYENNE, OK 73628
DANA BARTON FKA FARRELL, REM	1900 SOUTH L.L. MALES AVE	CHEYENNE, OK 73628
DANNY FARRELL, REMAINDERMAN	1900 SOUTH L.L MALES AVENUE	CHEYENNE, OK 73628

Notes:

Category Description

MEMO 3/26/2014 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM

RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201401786 3/26/2014 - G30 - 22-14N-24W

X128051 MRMN 2 WELLS NO OP. NAMED REC 4/8/14 (JOHNSON)

PENDING CD - 201401787 3/26/2014 - G30 - 22-14N-24W

X128051 MRMN

SHL NCT 100 FSL, NCT 100 FWL**
1ST PERF NCT 300 FSL, NCT 500 FWL
LAST PERF NCT 300 FNL, NCT 500 FWL

NO OP. NAMED REC 4/8/14 (JOHNSON)

**SHL TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION

SPACING - 128051 3/26/2014 - G30 - (640) 22-14N-24W

DEL OTHERS

EXT 125353 MRMN, OTHERS