

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

API NUMBER: 009 21926

Approval Date: 04/10/2014

Expiration Date: 10/10/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 06 Twp: 10N Rge: 25W County: BECKHAM

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

SECTION LINES: 250 700

Lease Name: MCGUIRE 31-11-25 Well No: 12H Well will be 250 feet from nearest unit or lease boundary.

Operator Name: LINN OPERATING INC

Telephone: 4052412200; 2818404

OTC/OCC Number: 22182 0

LINN OPERATING INC
14000 QUAIL SPRINGS PKWY STE 5000
OKLAHOMA CITY, OK 73134-2619

BRANDON CASS MCGUIRE AND RANDI MCGUIRE,
(HW/JT)
PO BOX 291
ERICK OK 73645

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

Name	Depth	Name	Depth
1 GRANITE WASH UP	10680	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 67733

Location Exception Orders: 621840

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 16500

Ground Elevation: 2010

Surface Casing: 540

Depth to base of Treatable Water-Bearing FM: 420

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: Yes

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 30000 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

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

B. Solidification of pit contents.

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

PERMIT NO: 14-26896

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: 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 31 Twp 11N Rge 25W County BECKHAM
Spot Location of End Point: NE NW NW NE
Feet From: NORTH 1/4 Section Line: 230
Feet From: EAST 1/4 Section Line: 1982
Depth of Deviation: 11000
Radius of Turn: 575
Direction: 356
Total Length: 5300
Measured Total Depth: 16500
True Vertical Depth: 11250
End Point Location from Lease,
Unit, or Property Line: 230

Notes:

Table with 2 columns: Category, Description. Includes entries for LOCATION EXCEPTION - 621840, MEMO, and SPACING - 67733 with detailed descriptions of well operations and dates.

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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.