

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 A

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

Horizontal Hole Oil & Gas

Amend reason: SURFACE HOLE LOCATION UPDATE

AMEND 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: 250 725

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; 4052412 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:

Category

Description

LOCATION EXCEPTION - 621840

4/10/2014 - G30 - (I.O.) 31-11N-25W
X147147 MOUGW**
COMP. INT. NCT 300 FNL, NCT 300 FSL, NCT 600 FEL
LINN OPERATING, INC.
2/21/14

MEMO

**S/B 67733 GRWSU, TO BE CORRECTED IN FINAL ORDER PER ATTORNEY FOR OPERATOR
4/10/2014 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM
RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 67733

4/10/2014 - G30 - (640) 31-11N-25W
EST GRWSU, OTHERS