

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

API NUMBER: 047 24845

Approval Date: 04/25/2014
Expiration Date: 10/25/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 20N Rge: 3W County: GARFIELD
SPOT LOCATION: SE SE SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 240 1020

Lease Name: IREY TRUST 20-3-31 Well No: 1 HW Well will be 240 feet from nearest unit or lease boundary.

Operator Name: SUNDANCE ENERGY OKLAHOMA LLC dba SEO LLC Telephone: 3034070471 OTC/OCC Number: 22918 0

SUNDANCE ENERGY OKLAHOMA LLC dba SEO LLC
633 17TH ST STE 1950
DENVER , CO 80202-3620

TERESA BENNETT NORWOOD
110 BENNER ROAD
SHEPHERD TX 77371

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

Name	Depth	Name	Depth
1 MISSISSIPPI LIME	5350	6	
2 WOODFORD	5695	7	
3 MISENER-HUNTON	5770	8	
4		9	
5		10	

Spacing Orders: No Spacing

Location Exception Orders: 201402735

Increased Density Orders:

Pending CD Numbers: 201402733

Special Orders:

Total Depth: 10600 Ground Elevation: 1042 **Surface Casing: 350** Depth to base of Treatable Water-Bearing FM: 200

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: GARBER

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-27028
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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.

HORIZONTAL HOLE 1

Sec 31 Twp 20N Rge 3W County GARFIELD

Spot Location of End Point: SE SW SW SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 540

Depth of Deviation: 5277

Radius of Turn: 712

Direction: 180

Total Length: 4900

Measured Total Depth: 10600

True Vertical Depth: 5877

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

Notes:

Category	Description
PENDING - 201402733	4/25/2014 - G72 - (640) 31-20N-3W EST MISENER-HNTN; EXT 598131 MSSP, WDFD; SUPERSEDE 189327 MSSLM (NE), MISENER, HNTN SEC 31; COEXIST WITH NON-HORZ DEV SUCH AS JOHNSON 3 (SWNW), JOHNSON 4 (NWNW) MSSLM; COEXIST WITH DEV NON-HORZ SUCH AS HORSLEY 3(NWNWSW) MSSLM ON AN UNLEASED/TRACT BASIS;
PENDING - 201402735	4/25/2014 - G72 - 31-20N-3W E.O. X 201402733 MSSP, WDFD, MSRH; COMP INT NCT 150 FNL NCT 150 FSL NCT 300 FWL(AMD AT HRG); NO OPER NAMED; REC 4/18/2014 (P. PORTER)