

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

API NUMBER: 047 24877

Approval Date: 06/04/2014
Expiration Date: 12/04/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 14 Twp: 23N Rge: 5W County: GARFIELD
SPOT LOCATION: SW SW SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 250 1530

Lease Name: HENRY 2305 Well No: 1-23H Well will be 250 feet from nearest unit or lease boundary.
Operator Name: SANDRIDGE EXPLORATION & PRODUCTION LLC Telephone: 4054296169 OTC/OCC Number: 22281 0

SANDRIDGE EXPLORATION & PRODUCTION LLC
123 ROBERT S KERR AVE STE 1702
OKLAHOMA CITY, OK 73102-6406

LOWELL H. DIEL & MIKE DIEL
631 N. 102ND STREET
ENID OK 73701

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

| Name | Depth | Name | Depth |
|------|---------------|------|-------|
| 1 | MISSISSIPPIAN | 5846 | 6 |
| 2 | | | 7 |
| 3 | | | 8 |
| 4 | | | 9 |
| 5 | | | 10 |

Spacing Orders: 623834

Location Exception Orders: 623835

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 12160

Ground Elevation: 1172

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 190

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 10000 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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: FAIRMONT

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 14-27078

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 23 Twp 23N Rge 5W County GARFIELD

Spot Location of End Point: S2 S2 SW SW

Feet From: SOUTH 1/4 Section Line: 150

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 5531

Radius of Turn: 890

Direction: 190

Total Length: 5231

Measured Total Depth: 12160

True Vertical Depth: 6108

End Point Location from Lease,
Unit, or Property Line: 150

Notes:

| Category | Description |
|-----------------------------|---|
| DEEP SURFACE CASING | 5/7/2014 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING |
| LOCATION EXCEPTION - 623835 | 6/3/2014 - G75 - (E.O.) X623834 MSSP SHL 250 FSL, 1530 FWL 14-23N-5W COMPL. INT. NCT 330 FNL, NCT 330 FSL, NCT 560 FWL 23-23N-5W SANDRIDGE EXPLOR. & PROD., L.L.C. 4-10-2014 |
| SPACING - 623834 | 6/3/2014 - G75 - (E.O.)(640)(HOR) 23-23N-5W EST MSSP POE TO BHL NLT 660' FB (SUPERSEDE SP. ORDER # 57834 MSSLM) SANDRIDGE EXPLOR. & PROD., L.L.C. 4-10-2014 |

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