

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

API NUMBER: 047 24880

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

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 11 Twp: 24N Rge: 8W County: GARFIELD
SPOT LOCATION: NE NE NW NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 225 1370

Lease Name: NILES 2408 Well No: 1-2H Well will be 225 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

RUSSELL V. LLOYD & HARRIET L. LLOYD
P.O. BOX 28
HILLSDALE OK 73743

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

Name	Depth	Name	Depth
1	MISSISSIPPIAN	5840	6
2			7
3			8
4			9
5			10

Spacing Orders: 626251

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201403066

Special Orders:

Total Depth: 11783

Ground Elevation: 1186

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 210

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: SALT PLAINS

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 14-27211

E. Haul to Commercial pit facility: Sec. 15 Twn. 24N Rng. 7W Cnty. 47 Order No: 608693

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 02 Twp 24N Rge 8W County GARFIELD

Spot Location of End Point: N2 N2 NE NE

Feet From: NORTH 1/4 Section Line: 150

Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 5344

Radius of Turn: 890

Direction: 5

Total Length: 5041

Measured Total Depth: 11783

True Vertical Depth: 5921

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

Notes:

Category	Description
DEEP SURFACE CASING	6/11/2014 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING
PENDING CD - 201403066	6/12/2014 - G75 - (I.O.) 2-24N-8W X626251 MSSP COMPL. INT. NCT 150 FSL, NCT 150 FNL, NCT 560 FEL NO OP. NAMED REC 5-19-2014 (STUCK)
SPACING - 626251	6/12/2014 - G75 - (640)(HOR) 2-24N-8W EST OTHER EXT 617429 MSSP, OTHER POE TO BHL NLT 660' FB (SUPERSEDE SP. ORDER 185091 MSSLM, OTHER)

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