API NUMBER: 129 23991

Oil & Gas

Horizontal Hole

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

Approval Date: 09/02/2014
Expiration Date: 03/02/2015

PERMIT TO DRILL

| WELL LOCATION: | Sec: | 31 | Twp: | 16N | Rge: | 25W | / | County: | ROGE | R MILLS | | |
|-----------------------------|------|----|------|-----|------|-----|----------------|---------|--------|---------|------|------|
| SPOT LOCATION: | NW | NE | NE | | NW | | FEET FROM QUA | ARTER: | FROM | NORTH | FROM | WEST |
| | | | | | | | SECTION LINES: | | | 250 | | 2300 |
| Lease Name: WAGNON 30-16-25 | | | | | | | | We | II No: | 1H | | |

Well will be 250 feet from nearest unit or lease boundary.

 Operator Name:
 APACHE CORPORATION
 Telephone:
 9184914900; 9184914
 OTC/OCC Number:
 6778 0

APACHE CORPORATION 6120 S YALE AVE STE 1500

TULSA, OK 74136-4224

WAGNON EXEMPT TRUST RT 1 BOX 101

ARNETT OK 73832

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

| | Name | Depth | Name | Depth | |
|-----------------|---------|-------------------------------|-------|---------------------------|--------|
| 1 | TONKAWA | 8497 | 6 | | |
| 2 | | | 7 | | |
| 3 | | | 8 | | |
| 4 | | | 9 | | |
| 5 | | | 10 | | |
| Spacing Orders: | 60492 | Location Exception Orders: 63 | 27220 | Increased Density Orders: | 627282 |

Pending CD Numbers: Special Orders:

Total Depth: 14000 Ground Elevation: 2355 Surface Casing: 2000 Depth to base of Treatable Water-Bearing FM: 610

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 8000 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 BED AQUIFER
Pit Location Formation: OGALLALA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 14-28207

H. SEE MEMO

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 BED AQUIFER
Pit Location Formation: OGALLALA

HORIZONTAL HOLE 1

Sec 30 Twp 16N Rge 25W County ROGER MILLS

Spot Location of End Point: W2 NE NE NW
Feet From: NORTH 1/4 Section Line: 330
Feet From: WEST 1/4 Section Line: 2300

Depth of Deviation: 7973 Radius of Turn: 573

Direction: 1

Total Length: 5172

Measured Total Depth: 14000

True Vertical Depth: 8506

End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Category Description

DEEP SURFACE CASING 8/29/2014 - G71 - APPROVED CONTINGENT ON NOTIFYING OCC FIELD STAFF IMMEDIATELY

OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY

CONDUCTOR OR SURFACE CASING

INCREASED DENSITY - 627282 9/2/2014 - G72 - 30-16N-25W

X 60492, 61385, 584623, TNKW;

1 WELL; PACHE CORPORATION 6/27/2014

LOCATION EXCEPTION - 627220 9/2/2014 - G72 - 30-16N-25W (I.O.)

X 60492, 61385, 584623 TNKW; **SHL NCT 250 FSL NCT 2600 FWL; NCT 300 FSL NCT 330 FNL NCT 1320 FWL;

APACHE CORPORATION;

6/26/2014

**SHL WILL BE AMENDED AT FINAL HEARING PER OPERATOR.

MEMO 8/25/2014 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM

RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 60492 9/2/2014 - G72 - (640) 30-16N-25W EST TNKW

API 12923991

