

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

API NUMBER: 119 24264

Approval Date: 09/04/2014
Expiration Date: 03/04/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 13 Twp: 18N Rge: 1W

County: PAYNE

SPOT LOCATION: SW SE SW SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 200 700

Lease Name: VASSAR

Well No: 1-13H

Well will be 200 feet from nearest unit or lease boundary.

Operator Name: STEPHENS PRODUCTION CO

Telephone: 4797834191

OTC/OCC Number: 23030 0

STEPHENS PRODUCTION CO
PO BOX 2407
FORT SMITH, AR 72902-2407

JOHN & KATHRYN WILLIAMS
9000 S. VASSAR ROAD
COYLE OK 73027

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	5000	6	
2	WOODFORD	5150	7	
3			8	
4			9	
5			10	

Spacing Orders: 627215

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201405865

Special Orders:

Total Depth: 10400

Ground Elevation: 1069

Surface Casing: 770

Depth to base of Treatable Water-Bearing FM: 520

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: 2000 Average: 1000

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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 13 Twp 18N Rge 1W County PAYNE

Spot Location of End Point: NW NE NW NW

Feet From: NORTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 700

Depth of Deviation: 4500

Radius of Turn: 700

Direction: 360

Total Length: 4800

Measured Total Depth: 10400

True Vertical Depth: 5150

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Category	Description
PENDING CD - 201405865	8/12/2014 - G75 - (E.O.) 13-18N-1W X627215 MSSP, WDFD COMPL. INT. NCT 150 FSL, NCT 150 FNL, NCT 660 FWL STEPHENS PROD. CO. REC 9-2-2014 (DECKER)
SPACING - 627215	7/29/2014 - G75 - (640)(HOR) 13-18N-1W EXT 605832 MSSP, WDFD, OTHER POE TO BHL (MSSP) NCT 660' FB POE TO BHL (WDFD) NCT 330' FB
WELL NUMBER	7/30/2014 - G75 - 1-13H PER OPERATOR

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.

NOTIFY DISTRICT OFFICE 24 HOURS PRIOR TO CEMENTING SURFACE CASING.

25.2. PIT INFORMATION:

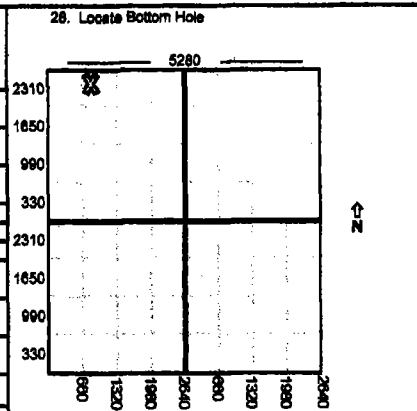
A. TYPE OF MUD SYSTEM: WATER BASED OIL BASED GAS BASED (AIR DRILL)
 B. EXPECTED MUD CHLORIDE CONTENT: maximum: ppm; average: ppm.
 PIT #2 C. TYPE OF PIT SYSTEM: on-site off-site closed If off-site, specify location:
 D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? Y N
 E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? Y N Off-Site Pit No.
 F. WELLHEAD PROTECTION AREA? Y N

26.2 OCC USE ONLY A. CATEGORY 1A 1B 2 3 4 C From: Other H.S.A. Non-H.S.A.
 B. PIT LOCATION: Alluvial Plain Terrace Deposit Bedrock Aquifer Other H.S.A. Non-H.S.A.
 C. Special area or field rule? D. DEEP SCA? Y N E. CBL? Y N
 F. SOIL COMPACTED LINER REQUIRED? Y N G. 20 mil GEC MEMBRANE LINER REQUIRED? Y N

29 Bottom Hole Location SEC TWP RGE COUNTY
 for Directional Hole:
 SPOT LOCATION: 1/4 1/4 1/4 FEET FROM QUARTER SECTION LINES: from SOUTH LINE from WEST LINE
 Measured Total Depth True Vertical Depth BHL from nearest Lease, Unit, Or Property Line:
30. Bottom Hole Location for Horizontal Hole: (LATERALS)
 LATERAL #1: SEC 13 TWP 18N RGE 1W COUNTY Payton
 SPOT LOCATION: 1/4 1/4 1/4 FEET FROM QUARTER SECTION LINES: from SOUTH LINE 60' FNL from WEST LINE 700' FWL
 Depth of Deviation 4500' Radius of Turn 700' Direction Total Length 360
 Measured Total Depth 10,400' True Vertical Depth 5150 End Point location from nearest lease, unit or property line: 60'

LATERAL #2: SEC TWP RGE COUNTY
 SPOT LOCATION: 1/4 1/4 1/4 FEET FROM QUARTER SECTION LINES: from SOUTH LINE from WEST LINE
 Depth of Deviation Radius of Turn Direction Total Length
 Measured Total Depth True Vertical Depth End Point location from nearest lease, unit or property line:

LATERAL #3: SEC TWP RGE COUNTY
 SPOT LOCATION: 1/4 1/4 1/4 FEET FROM QUARTER SECTION LINES: from SOUTH LINE from WEST LINE
 Depth of Deviation Radius of Turn Direction Total Length
 Measured Total Depth True Vertical Depth End Point location from nearest lease, unit or property line:



1. If more than two drainholes are proposed, attach separate sheet indicating the necessary information.
2. Direction must be stated in degrees azimuth.
3. Please note the horizontal drainhole and its end point must be located within the legal boundaries of the lease or spacing unit. Directional surveys are required for all drainholes and directional wells.

31. AFFIDAVIT FOR ALTERNATIVE CASING PROGRAM (Signature on front of this form attests to this affidavit)
 1. This well WILL WILL NOT penetrate any known lost circulation zones.
 2. During the drilling of this well, withdrawals from any water well within 1/4 mile WILL WILL NOT exceed 50 gallons per minute.
 3. The projected depth of the well IS IS NOT less than 100 feet from the top of any enhanced recovery project or gas storage facility.
 4. List the following for all water wells within 1/4 mile of this well. (Information concerning some water wells may be obtained from the OKLAHOMA WATER RESOURCES BOARD, 3800 N. Classen Blvd., Oklahoma City, OK 73118). IF NO WATER WELLS FOUND, SO STATE. (ATTACH ADDITIONAL SHEET IF NECESSARY)

Name of Owner/Operator	Address of Owner/Operator	Location (Nearest 1/4 1/4 1/4 1/4)	Depth of Well

5. A cement bond log is required to be run and submitted from not less than 100 feet below the base of the treatable water-bearing formation to the surface. **OCC USE ONLY**
 6. If casing depth is more than 250 feet deeper than base of the treatable water-bearing formation, operator must submit a letter of request listing reasons and precautions to be taken.

INTENT TO DRILL CHECKLIST

APPROVED REJECTED **OCC USE ONLY** **OCC USE ONLY**

1. SURETY
 A. NONE filed. 50000
 B. EXPIRED: Date
 C. OUTSTANDING CONTEMPT ORDER.

4. GEOLOGY

DO NOT WRITE INSIDE THIS BOX

RECEIPT 1500210050
 Date: 07/07/2014 Time: 10:28
 Case: 000000000 Cashier: R85
 Payor: STEPHENS PRODUCTION CO
 Check: 120778 \$175.00
 46 Intent to Drill

OKLA CORP COMM