

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

API NUMBER: 119 24270

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

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 14 Twp: 18N Rge: 1W

County: PAYNE

SPOT LOCATION:  SE  SW  SE  SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 200 700

Lease Name: BREWER

Well No: 1-14H

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

JANICE HOPKINS  
7305 S. VASSAR ROAD  
COYLE OK 73027

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

| Name | Depth         | Name | Depth |
|------|---------------|------|-------|
| 1    | MISSISSIPPIAN | 5000 | 6     |
| 2    |               |      | 7     |
| 3    |               |      | 8     |
| 4    |               |      | 9     |
| 5    |               |      | 10    |

Spacing Orders: 627280

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201405866

Special Orders:

Total Depth: 10500

Ground Elevation: 1063

**Surface Casing: 800**

Depth to base of Treatable Water-Bearing FM: 550

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: 5000 Average: 2000

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 14 Twp 18N Rge 1W County PAYNE

Spot Location of End Point: NE NW NE NE

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 700

Depth of Deviation: 4500

Radius of Turn: 700

Direction: 360

Total Length: 4900

Measured Total Depth: 10500

True Vertical Depth: 5165

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

Notes:

| Category               | Description  |
|------------------------|--|
| PENDING CD - 201405866 | 8/12/2014 - G75 - (I.O.) 14-18N-1W<br>X627280 MSSP, OTHER<br>COMPL. INT. NCT 150 FSL, NCT 150 FNL, NCT 660 FEL<br>NO OP. NAMED<br>REC 9-8-2014 (M. PORTER) |
| SPACING - 627280       | 7/29/2014 - G75 - (640)(HOR) 14-18N-1W<br>VAC OTHERS<br>EXT 605832 MSSP, OTHERS<br>POE TO BHL NCT 660' FB  |