

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

API NUMBER: 139 24617

Approval Date: 09/12/2014

Expiration Date: 03/12/2015

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 22 Twp: 2N Rge: 14ECM County: TEXAS

SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 680 660

Lease Name: WEBB

Well No: 22-24

Well will be 660 feet from nearest unit or lease boundary.

Operator Name: CAERUS KANSAS LLC

Telephone: 3035654600

OTC/OCC Number: 23029 0

CAERUS KANSAS LLC
600 17TH ST STE 1600N
DENVER, CO 80202-5403

JOE WEBB FARM & CATTLE INC.
RT 3, BOX 157A
GUYMON OK 73942

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

	Name	Depth	Name	Depth
1	COUNCIL GROVE	3005	6	
2	TOPEKA	3530	7	
3	TORONTO	4360	8	
4	MARMATON	5222	9	
5	CHEROKEE	5715	10	

Spacing Orders: 519952

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 5870

Ground Elevation: 3183

Surface Casing: 1700

Depth to base of Treatable Water-Bearing FM: 460

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.

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

Notes:

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.

139 24617 WEBB 22-24

Category	Description
DEEP SURFACE CASING	9/11/2014 - 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
FRAC FOCUS	7/31/2014 - G71 - THE REQUIREMENT FOR CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS WILL BE EXTENDED TO INCLUDE ALL NON-HORIZONTAL WELLS FOR HYDRAULIC FRACTURING OPERATIONS BEGINNING JANUARY 1, 2014. REFER TO OCC RULE 165:10-3-10 FOR COMPLIANCE REQUIREMENTS. PLEASE REPORT DIRECTLY TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM
SPACING	9/11/2014 - G72 - FORMATIONS UNSPACED 160 LEASE SW/4 SEC 22PER OPERATOR
SPACING - 548618	9/11/2014 - G72 - (80) 22-02N-14ECM SU NW/SE EST CHRK