API NUMBER: 129 24007

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: 09/22/2014

Expiration Date: 03/22/2015

PERMIT TO DRILL

WELL LOCATION:	Sec:	36	Twp:	17N	Rge:	25W	County:	ROGER MILLS	

SPOT LOCATION: NW NE NW NE FEET FROM QUARTER: FROM NORTH FROM WEST SECTION LINES: 150 900

Lease Name: TWO D RANCH 25-17-25 Well No: 2H Well will be 150 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

TWO D RANCH, LLC C/O STEVE DOBSON

13900 N. PORTLAND AVE.

OKLAHOMA CITY OK 73134

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

	Name	Depth	Name	Dept	h
1	TONKAWA	8055	6		
2		7	7		
3		1	8		
4		9	9		
5		•	10		
Spacing Orders:	560038	Location Exception Orders:		Increased Density Orders:	627457

Pending CD Numbers: 201403625 Special Orders:

Total Depth: 13500 Ground Elevation: 2165 Surface Casing: 2000 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 Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

Chlorides Max: 90000 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

Type of Mud System: WATER BASED

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: OGALLALA

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-28377

H. SEE MEMO

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C
Pit Location is BED AQUIFER
Pit Location Formation: OGALLALA

HORIZONTAL HOLE 1

Sec 25 Twp 17N Rge 25W County ROGER MILLS

Spot Location of End Point: E2 NE NW NW Feet From: NORTH 1/4 Section Line: 330
Feet From: WEST 1/4 Section Line: 1000

Depth of Deviation: 7555 Radius of Turn: 700

Direction: 2

Total Length: 4845

Measured Total Depth: 13500

True Vertical Depth: 8255

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

Notes:

Category Description

DEEP SURFACE CASING 9/22/2014 - G76 - 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 - 627457 9/22/2014 - G91 - 25-17N-25W

X 560038 TNKW

1 WELL

APACHE CORPORATION

7-3-2014

MEMO 9/22/2014 - G76 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 -

OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201403625 9/22/2014 - G91 -

X 560038 TNKW

SHL NCT 150 FNL, NCT 900 FWL 36-17N-25W 1ST PERF NCT 300 FSL, NCT 660 FWL 25-17N-25W LAST PERF NCT 300 FNL, NCT 660 FWL 25-17N-25W

NO OP. NAMED

REC. 6-10-2014 (MCKEOWN)

SPACING - 560038 9/22/2014 - G91 - (640)(HOR) 25-17N-25W

EST TNKW

POE TO BHL NCT 660' FB

(COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS: SUPERCEDE NON-

DEVELOPED NON-HORIZONTAL SPACING UNITS)

