

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

API NUMBER: 039 22430 A

Approval Date: 04/01/2014
Expiration Date: 10/01/2014

Horizontal Hole Oil & Gas

Amend reason: ADD SOIL FARM PERMIT NUMBER

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 15N Rge: 16W County: CUSTER
SPOT LOCATION: SW NW NE NW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2140 1400

Lease Name: BOYD MILLER Well No: 2-22H Well will be 500 feet from nearest unit or lease boundary.
Operator Name: TOKLAN OIL & GAS CORPORATION Telephone: 9188787412 OTC/OCC Number: 10043 0

TOKLAN OIL & GAS CORPORATION
7404 S YALE AVE
TULSA, OK 74136-7029

VICKI & BRYAN MANNERING
8582 N 2250 RD
CUSTER CITY OK 74639

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

	Name	Depth	Name	Depth
1	DOUGLAS (UP TONKAWA)	7450	6	
2	TONKAWA (LOW TONKAWA)	7900	7	
3	COTTAGE GROVE	8530	8	
4			9	
5			10	

Spacing Orders: 155173

Location Exception Orders: 621432

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 13900

Ground Elevation: 1823

Surface Casing: 950

Depth to base of Treatable Water-Bearing FM: 430

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: 20000 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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-27431

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 22 Twp 15N Rge 16W County CUSTER

Spot Location of End Point: NW NW NE NW

Feet From: SOUTH 1/4 Section Line: 2340

Feet From: WEST 1/4 Section Line: 1400

Depth of Deviation: 8650

Radius of Turn: 700

Direction: 360

Total Length: 5000

Measured Total Depth: 13900

True Vertical Depth: 8600

End Point Location from Lease,
Unit, or Property Line: 300

Notes:

Category	Description
DEEP SURFACE CASING	3/25/2014 - 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
LOCATION EXCEPTION - 621432	4/1/2014 - G30 - (I.O.) 22-15N-16W X155173 DGTKU, TNKLT, CGGV SHL NCT 200 FSL, NCT 1320 FWL** 1ST PERF NCT 300 FSL, NCT 1320 FWL LAST PERF NCT 300 FNL, NCT 1320 FWL TOKLAN OIL AND GAS CORPORATION 2/7/14 **SHL TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION
SPACING - 155173	4/1/2014 - G30 - (640) 22-15N-16W EXT 133817 DGTKU, TNKLT, CGGV