API NUMBER: 129 24015

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: 10/15/2014
Expiration Date: 04/15/2015

PERMIT TO DRILL

WELL LOCATION: Sec: 22 Twp: 15N Rge: 24W County: ROGER MILLS

SPOT LOCATION: SW SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST SECTION LINES: 275 1500

Lease Name: TANNER 22-15-24 Well No: 1H Well will be 275 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

BECKY & TANNER DAUGHERTY BY EDDIE WILSON, POWER OF ATTY.

8659 N. 1810 RD.

CRAWFORD OK 73638

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

Depth Name Depth DES MOINES GRANITE WASH 11607 1 6 2 7 3 8 4 9 10 589837 Spacing Orders: Location Exception Orders: 631758 Increased Density Orders:

Pending CD Numbers: 201407059 Special Orders:

Total Depth: 16500 Ground Elevation: 2264 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 630

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?

Wellhead Protection Area?

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: 1B

Liner required for Category: 1BPit Location is BED AQUIFER

Pit Location Formation: OGALLALA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-28600

H. SEE MEMO

PIT 2 INFORMATION

Type of Pit System: ON SITE

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: 3
Liner required for Category: 3
Pit Location is BED AQUIFER

Pit Location Formation: OGALLALA

HORIZONTAL HOLE 1

Sec 22 Twp 15N Rge 24W County ROGER MILLS

Spot Location of End Point: N2 N2 NE NW
Feet From: NORTH 1/4 Section Line: 250
Feet From: WEST 1/4 Section Line: 1980

Depth of Deviation: 11135 Radius of Turn: 384

Direction: 6

Total Length: 4761

Measured Total Depth: 16500

True Vertical Depth: 11607

End Point Location from Lease,
Unit, or Property Line: 250

Notes:

Category Description

DEEP SURFACE CASING 10/15/2014 - 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

LOCATION EXCEPTION - 631758 10/15/2014 - G91 - (E.O.) 22-15N-24W

X 589837 DMSGW

SHL 275 FSL, NCT 1500 FWL

1ST PERF. NCT 300 FSL, NCT 660 FWL LAST PERF. NCT 300 FSL, NCT 660 FWL

APACHE CORPORATION

10-13-2014

MEMO 10/15/2014 - G76 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM

RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201407059 10/15/2014 - G91 - 22-15N-24W

X 589837 DMSGW

1 WELL

NO OP. NAMED

HRG 10-21-2014 (JOHNSON)

SPACING - 589837 10/15/2014 - G91 - 22-15N-24W

EST DMSGW, OTHER POE TO BHL NCT 660' FB

