

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

API NUMBER: 071 24820

Approval Date: 10/16/2014

Expiration Date: 04/16/2015

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 25N Rge: 2W

County: KAY

SPOT LOCATION:

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 660 330

Lease Name: STATE

Well No: 2-16

Well will be 330 feet from nearest unit or lease boundary.

Operator Name: MARJO OPERATING COMPANY INC

Telephone: 9185830241

OTC/OCC Number: 19301 0

MARJO OPERATING COMPANY INC  
PO BOX 729  
TULSA, OK 74101-0729

COMMISSIONERS OF THE LAND OFFICE  
120 N. ROBINSON, SUITE 1000W  
OKLAHOMA CITY OK 73102

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

	Name	Depth	Name	Depth
1	SAMS	1732	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 547533

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201406954  
201406953

Special Orders:

Total Depth: 1880

Ground Elevation: 990

**Surface Casing: 520**

Depth to base of Treatable Water-Bearing FM: 430

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: ON SITE

A. Evaporation/dewater and backfilling of reserve pit.

Type of Mud System: WATER BASED

Chlorides Max: 5000 Average: 3000

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: WELLINGTON

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.

Category	Description
FRAC FOCUS	9/22/2014 - 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 <a href="http://fracfocus.org/">HTTP://FRACFOCUS.ORG/</a> OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM
PENDING CD - 201406953	10/16/2014 - G75 - NE4 16-25N-2W X547533 SAMS 1 WELL NO OP. NAMED REC 10-13-2014 (MCKEOWN)
PENDING CD - 201406954	10/16/2014 - G75 - NE4 16-25N-2W X547533 SAMS 660 FNL, 330 FEL NO OP. NAMED REC 10-13-2014 (MCKEOWN)
SPACING - 547533	10/16/2014 - G75 - (160) NE4 16-25N-2W EST SAMS