

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

API NUMBER: 119 24292

Approval Date: 10/22/2014  
Expiration Date: 04/22/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 18N Rge: 5E County: PAYNE  
SPOT LOCATION:  NE  NE  NW  NW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 2328 1030

Lease Name: HILL Well No: 1-1MH Well will be 312 feet from nearest unit or lease boundary.  
Operator Name: CROWN ENERGY COMPANY Telephone: 4055260111 OTC/OCC Number: 19779 0

CROWN ENERGY COMPANY  
1117 NW 24TH ST  
OKLAHOMA CITY, OK 73106-5615

LINDA LEE HILL  
7311 LANCET LANE  
OKLAHOMA CITY OK 73102

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

Name	Depth	Name	Depth
1	MISSISSIPPIAN	3375	6
2			7
3			8
4			9
5			10

Spacing Orders: 630039

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201405714

Special Orders:

Total Depth: 7882

Ground Elevation: 856

**Surface Casing: 750**

Depth to base of Treatable Water-Bearing FM: 660

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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? Y

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 14-28151

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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 01 Twp 18N Rge 5E County PAYNE

Spot Location of End Point: N2 S2 SW SW

Feet From: SOUTH 1/4 Section Line: 350

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 2875

Radius of Turn: 248

Direction: 182

Total Length: 4618

Measured Total Depth: 7882

True Vertical Depth: 3486

End Point Location from Lease,  
Unit, or Property Line: 350

Notes:

Category	Description
PENDING CD - 201405714	10/22/2014 - G91 - (I.O.) 1-18N-5E X 630039 MSSP COMPL. INT. NCT 330 FNL, NCT 330 FSL, NCT 330 FWL NO OP. NAMED REC. 8-26-2014 (M. PORTER)
PUBLIC WATER SUPPLY	10/22/2014 - G76 - 4 PWS - CITY OF YALE WELLS 1, 2, 3, 4; SE4 36-19N-5E
SPACING - 630039	10/22/2014 - G91 - (640)(HOR) 1-18N-5E EST OTHER EXT 615640 MSSP, OTHER POE TO BHL NCT 660' FB