

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

API NUMBER: 129 24022

Approval Date: 11/13/2014
Expiration Date: 05/13/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 28 Twp: 14N Rge: 23W County: ROGER MILLS
SPOT LOCATION: SE NE NW NW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2139 1290

Lease Name: MADDUX Well No: 3-21H Well will be 501 feet from nearest unit or lease boundary.
Operator Name: KAISER-FRANCIS OIL COMPANY Telephone: 9184940000 OTC/OCC Number: 6390 0

KAISER-FRANCIS OIL COMPANY
PO BOX 21468
TULSA, OK 74121-1468

JAMES A & LINDA G MADDUX LIVING TR.
P O BOX 38
CHEYENNE OK 73628

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

Name	Depth	Name	Depth
1 MARMATON	11130	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 138918 Location Exception Orders: 631950 Increased Density Orders: 620161

Pending CD Numbers: Special Orders:

Total Depth: 16300 Ground Elevation: 1990 **Surface Casing: 1500** 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: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 50000 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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: CLOUD CHIEF

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-28836
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 21 Twp 14N Rge 23W County ROGER MILLS

Spot Location of End Point: E2 NW NW NW

Feet From: SOUTH 1/4 Section Line: 2310

Feet From: WEST 1/4 Section Line: 600

Depth of Deviation: 10700

Radius of Turn: 637

Direction: 359

Total Length: 4600

Measured Total Depth: 16300

True Vertical Depth: 11130

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

Notes:

Category	Description
DEEP SURFACE CASING	11/13/2014 - 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
INCREASED DENSITY - 620161	11/13/2014 - G91 - 21-14N-23W X138918 MRMN 1 WELL KAISER-FRANCIS OIL CO. 1-10-2014
LOCATION EXCEPTION - 631950	11/13/2014 - G91 - (I.O.) X138918 MRMN SHL NCT 500 FNL, NCT 800 FWL 28-14N-23W COMPL. INT. NCT 300 FSL, NCT 300 FNL, NCT 600 FWL 21-14N-23W KAISER-FRANCIS OIL CO. 10-17-2014
SPACING - 138918	11/13/2014 - G91 - (640) 21-14N-23W EXT OTHERS EXT 109018 MRMN EST OTHERS

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