

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

API NUMBER: 045 23535

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

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 18N Rge: 24W County: ELLIS
SPOT LOCATION: NE SE SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 368 2428

Lease Name: WORD Well No: 3-30H Well will be 368 feet from nearest unit or lease boundary.

Operator Name: PPP PETROLEUM LP Telephone: 2142316832 OTC/OCC Number: 23356 0

PPP PETROLEUM LP
2101 CEDAR SPRINGS RD STE 1800
DALLAS , TX 75201-1585

WORD BROTHERS
PO BOX 443
ARNETT OK 73832

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

Name	Depth	Name	Depth
1 CLEVELAND	9314	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 589515

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201407097

Special Orders:

Total Depth: 13939

Ground Elevation: 2156

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 510

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: WATER BASED

Chlorides Max: 14000 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: 14-28794

H. SEE MEMO

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.

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: CLOUD CHIEF

HORIZONTAL HOLE 1

Sec 30 Twp 18N Rge 24W County ELLIS

Spot Location of End Point: NE NE NE NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 2440

Depth of Deviation: 8889

Radius of Turn: 375

Direction: 1

Total Length: 4461

Measured Total Depth: 13939

True Vertical Depth: 9314

End Point Location from Lease,
Unit, or Property Line: 165

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

MEMO

11/13/2014 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS REQUIRED (CANADIAN RIVER), PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201407097

11/13/2014 - G91 - (I.O.) 30-18N-24W
X589515 CLVD, OTHERS
XOTHER
COMPL. INT. NCT 165 FNL, NCT 165 FSL, NCT 2250 FWL
REC. 10-21-2014 (JOHNSON)

SPACING - 589515

11/13/2014 - G91 - (640)(HOR) 30-18N-24W
EXT 585689 CLVD, OTHERS
EXT OTHERS
POE TO BHL NCT 660' FB
(COEXIST WITH ORDER # 200994 FOR CLVD ; WORD 2-30, 045-22276)