

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

API NUMBER: 085 21249

Approval Date: 11/18/2014
Expiration Date: 05/18/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 8S Rge: 2E

County: LOVE

SPOT LOCATION: SE SW SW NW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 171 576

Lease Name: BEAR

Well No: 27-1H

Well will be 123 feet from nearest unit or lease boundary.

Operator Name: SILVER CREEK OIL & GAS LLC

Telephone: 9725731630

OTC/OCC Number: 22726 0

SILVER CREEK OIL & GAS LLC
5525 N MACARTHUR BLVD STE 775
IRVING, TX 75038-2665

JIMMY THOMPSON
16475 SNAKEWOOD RD.
MARIETTA OK 74867

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

	Name	Depth	Name	Depth
1	ARBUCKLE	7000	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201407244
201408231

Special Orders:

Total Depth: 7000

Ground Elevation: 685

Surface Casing: 730

Depth to base of Treatable Water-Bearing FM: 680

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: 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? N

Wellhead Protection Area? N

Pit is not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: CADDO

Approved Method for disposal of Drilling Fluids:

B. Solidification of pit contents.

E. Haul to Commercial pit facility: Sec. 22 Twn. 2N Rng. 9E Cnty. 29 Order No: 537817

H. CLOSED SYSTEM=STEEL PITS REQUIRED (RED RIVER)

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: CLOSED

HORIZONTAL HOLE 1

Sec 28 Twp 8S Rge 2E County LOVE

Spot Location of End Point: NE SW NW SE

Feet From: SOUTH 1/4 Section Line: 1675

Feet From: WEST 1/4 Section Line: 579

Depth of Deviation: 3700

Radius of Turn: 712

Direction: 359

Total Length: 5626

Measured Total Depth: 7000

True Vertical Depth: 7000

End Point Location from Lease,
Unit, or Property Line: 307

Notes:

Category

Description

PENDING CD - 201407244

11/14/2014 - G91 - (220)(HOR)(IRR UNIT) S2 S2 SW4 NW4, NW4 SW4 27 & E2 SE4 NE4 SW4, E2
E2 SE4 SW4, SE4 LESS W2 NW4 NW4 SE4 28-8S-2E
EST ABCK
POE TO BHL NCT 660' FB
(COEXIST SP. ORDER # 80329 ABCK & ORDER # 81349 ABCK)
REC. 11-4-2014 (LEAVITT)

PENDING CD - 201408231

11/18/2014 - G75 - (E.O.)(IRR UNIT) S2 S2 SW4 NW4, NW4 SW4 27 & SE4 LESS W2 NW4 NW4
SE4, E2 SE4 NE4 SW4, E2 E2 SE4 SW4 28-8S-2E
X201407244 ABCK
SHL 2811 FSL, 576 FWL 27-8S-2E
FIRST PERF NCT 330 FNL, NCT 330 FEL
LAST PERF NCT 330 FNL, NCT 330 FWL
BHL NCT 1 FNL, NCT 1 FWL
SILVER CREEK OIL & GAS, LLC
REC 11-13-2014 (NORRIS)