

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

API NUMBER: 129 24026

Approval Date: 11/25/2014
Expiration Date: 05/25/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 29 Twp: 14N Rge: 23W County: ROGER MILLS
SPOT LOCATION: NE NE NE NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 250 2630

Lease Name: CHAMP MADDUX 20-14-23 Well No: 8H Well will be 250 feet from nearest unit or lease boundary.
Operator Name: LINN OPERATING INC Telephone: 4052412200; 4052412 OTC/OCC Number: 22182 0

LINN OPERATING INC
14000 QUAIL SPRINGS PKWY STE 5000
OKLAHOMA CITY, OK 73134-2619

JAMES A. MADDUX LIVING TR., JAMES A. & LINDA G.
MADDUX, CO-TTEES
PO BOX 38
CHEYENNE OK 73628

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

Name	Depth	Name	Depth
1 MARMATON	11300	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 164250

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201408119
201408121
201408122

Special Orders:

Total Depth: 15100 Ground Elevation: 1120 **Surface Casing: 590** Depth to base of Treatable Water-Bearing FM: 470

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: Yes

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 30000 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: 1B

Liner required for Category: 1B

Pit Location is BED AQUIFER

Pit Location Formation: CLOUD CHIEF

Approved Method for disposal of Drilling Fluids:

- A. Evaporation/dewater and backfilling of reserve pit.
- B. Solidification of pit contents.

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

PERMIT NO: 14-28814

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: ON SITE
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: 3
Liner required for Category: 3
Pit Location is BED AQUIFER
Pit Location Formation: CLOUD CHIEF

HORIZONTAL HOLE 1

Sec 20 Twp 14N Rge 23W County ROGER MILLS
Spot Location of End Point: SE SE NE NW
Feet From: NORTH 1/4 Section Line: 1090
Feet From: WEST 1/4 Section Line: 2630
Depth of Deviation: 11000
Radius of Turn: 127
Direction: 360
Total Length: 3900
Measured Total Depth: 15100
True Vertical Depth: 11300
End Point Location from Lease,
Unit, or Property Line: 1090

Additional Surface Owner Address City, State, Zip
LINDA G. MADDUX LIVING TR., JAM P.O. BOX 38 CHEYENNE, OK 73628

Notes:
Category Description
MEMO 11/25/2014 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 201408119 11/25/2014 - G91 - (E.O.) 20-14N-23W X164250 MRMN 1 WELL NO OP. NAMED REC. 11-24-2014 (DECKER)
PENDING CD - 201408121 11/25/2014 - G91 - (E.O.) 20-14N-23W X164250 MRMN COMP. INT. NCT 300 FSL, NCT 1050 FNL, NCT 1980 FEL, NCT 1980 FWL NO OP. NAMED REC. 11-24-2014 (DECKER)
PENDING CD - 201408122 11/25/2014 - G91 - (E.O.) 20-14N-23W X165:10-3-28(C) MRMN (CHAMP MADDUX 20-14-23 8H) LESS THAN 600' FROM CHALFANT 1-20 LINN OPERATING, INC. REC. 11-24-2014 (DECKER)
SPACING - 164250 11/25/2014 - G91 - (640) 20-14N-23W EXT 139649 MRMN, OTHERS EXT OTHERS EST OTHER