API NUMBER: 031 21642

Oil & Gas

Horizontal Hole

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

Approval Date: 12/01/2014 06/01/2015 **Expiration Date**

PERMIT TO DRILL

WELL LOCATION:	Sec:	02	Twp:	3N	Rge:	10W	County:	COMANCHE

FEET FROM QUARTER: FROM SPOT LOCATION: SE sw SE SOUTH EAST ll se SECTION LINES:

Lease Name: JACOBI TRUST Well No: 1-2H Well will be 300 feet from nearest unit or lease boundary.

700

MARATHON OIL COMPANY Operator OTC/OCC Number: Telephone: 7136296600: 4057205 1363 0 Name:

300

MARATHON OIL COMPANY

5555 SAN FELIPE ST

HOUSTON. TX 77056-2701 **EDMOND & GENEVA JACOBI TRUSTEES**

15055 STATE HWY 17

FLETCHER OK 73541

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

Name Depth Name Depth CISCO 1 3947 6 2 HOXBAR 6247 7 3 8 4 9 10 633514 Spacing Orders: Location Exception Orders: Increased Density Orders:

Pending CD Numbers: 201406984 Special Orders:

Total Depth: 14818 Ground Elevation: 1261 Surface Casing: 550 Depth to base of Treatable Water-Bearing FM: 300

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

Approved Method for disposal of Drilling Fluids: PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-28349 H. SEE MEMO 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?

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: EL RENO

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

EL RENO

Within 1 mile of municipal water well? Y
Wellhead Protection Area? Y

Pit is not located in a Hydrologically Sensitive Area.

Category of Pit: C

Pit Location Formation:

Liner not required for Category: CPit Location is NON HSA

HORIZONTAL HOLE 1

Sec 02 Twp 3N Rge 10W County COMANCHE

Spot Location of End Point: NW NE NE NE Feet From: NORTH 1/4 Section Line: 300

Feet From: EAST 1/4 Section Line: 600

Depth of Deviation: 9791 Radius of Turn: 449 Direction: 355

Total Length: 4800

Measured Total Depth: 14818

True Vertical Depth: 10324

End Point Location from Lease,
Unit, or Property Line: 300

Notes:

Category Description

MEMO 12/1/2014 - G76 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 -

OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

X633514 CSCO, HXBR

XOTHER

COMPL. INT. NCT 300 FNL, NCT 300 FSL, NCT 600 FEL

NO OP. NAMED

REC. 10-21-2014 (LEAVITT)

PUBLIC WATER SUPPLY/WELLHEAD

PROTECTION AREAS

12/1/2014 - G76 - 1 PWS/WPA - CADDO CTY RWS #3 W/2 11-3N-10W

SPACING - 633514 12/1/2014 - G91 - (640)(HOR) 2-3N-10W

VAC 400608 CSCO, HXBR EST CSCO. HXBR

POE TO BHL NCT 660' FB