

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

API NUMBER: 045 23544

Approval Date: 12/02/2014  
Expiration Date: 06/02/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 12 Twp: 16N Rge: 24W County: ELLIS  
SPOT LOCATION:  SW  SE  SE  SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 250 2170

Lease Name: CANADIAN Well No: 1H-12 Well will be 250 feet from nearest unit or lease boundary.  
Operator Name: LE NORMAN OPERATING LLC Telephone: 4055481200 OTC/OCC Number: 22738 0

LE NORMAN OPERATING LLC  
4700 GAILLARDIA PKWY STE 200  
OKLAHOMA CITY, OK 73142-1839

OKLAHOMA DEPT. OF WILDLIFE CONSERVATION  
P.O. BOX 53465  
OKLAHOMA CITY OK 73152

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

Name	Depth	Name	Depth
1 CLEVELAND	9750	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 630730

Location Exception Orders: 631547

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 15026

Ground Elevation: 2069

**Surface Casing: 730**

Depth to base of Treatable Water-Bearing FM: 490

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 35000 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: RUSH SPRINGS

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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 12 Twp 16N Rge 24W County ELLIS

Spot Location of End Point: N2 N2 NE NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 1980

Depth of Deviation: 9170

Radius of Turn: 580

Direction: 358

Total Length: 4945

Measured Total Depth: 15026

True Vertical Depth: 9750

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

Notes:

Category

Description

LOCATION EXCEPTION - 631547

11/26/2014 - G75 - (I.O.) 12-16N-24W  
X630730 CLVD  
SHL 200 FSL, 1980 FWL \*\*  
COMPL. INT. NCT 165 FSL, NCT 165 FNL, NCT 1320 FWL  
LE NORMAN OP. LLC  
10-7-2014

\*\* ITD HAS SHL AS 250 FSL, 2170 FWL; TO BE CORRECTED AT HEARING FOR FINAL ORDER  
LOCATION EXCEPTION PER OPERATOR

SPACING - 630730

11/26/2014 - G75 - (640)(HOR) 12-16N-24W  
EXT 618009 CLVD  
POE TO BHL NLT 660' FB  
(SUPERSEDE NON-PRODUCING NON-HORIZONTAL SPACING UNITS; COEXIST WITH  
PRODUCING NON-HORIZONTAL SPACING UNITS)