

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

API NUMBER: 007 25703 A

Approval Date: 11/19/2014
Expiration Date: 05/19/2015

Horizontal Hole Oil & Gas

Amend reason: ADD BHL & HEARING APPLICATION CD NO'S

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 32 Twp: 2N Rge: 23ECM County: BEAVER

SPOT LOCATION: NW NE NW NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 200 800

Lease Name: CUSTER Well No: 1-32HXL Well will be 200 feet from nearest unit or lease boundary.

Operator Name: UNIT PETROLEUM COMPANY Telephone: 9184937700; 9184937 OTC/OCC Number: 16711 0

UNIT PETROLEUM COMPANY
PO BOX 702500
TULSA, OK 74170-2500

CRAIG & TREVA LYNN CUSTER
P.O. BOX 130
BOOKER TX 79005

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

Name	Depth	Name	Depth
1 MARMATON	6500	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201408692
201408691
201408690

Special Orders:

Total Depth: 16672 Ground Elevation: 2752 Surface Casing: 1995 Depth to base of Treatable Water-Bearing FM: 290

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: Yes 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: 20000 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: OGALLALA

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-28753
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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 05 Twp 1N Rge 23E County BEAVER

Spot Location of End Point: SW SE SW SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 1700

Depth of Deviation: 5500

Radius of Turn: 619

Direction: 162

Total Length: 10200

Measured Total Depth: 16672

True Vertical Depth: 7380

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

Notes:

Category	Description
DEEP SURFACE CASING	11/17/2014 - 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
PENDING CD - 201408690	12/3/2014 - G76 - (E.O)(640)(HOR) 5-1N-23ECM & 23-2N-23ECM EXT 588699 MRMN COMPL. INT. NLT 330' FB (COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS) REC 12/1/2014 (MCKEOWN)
PENDING CD - 201408691	12/3/2014 - G76 - (E.O) 32-2N-23ECM & 5-1N-23ECM EST MULTIUNIT HORIZONTAL WELL X201408690 MRMN 50% 32-2N-23ECM 50% 5-1N-23ECM NO OPR. NAMED REC 12/1/2014 (MCKEOWN)
PENDING CD - 201408692	12/3/2014 - G76 - (E.O) 32-2N-23ECM & 5-1N-23ECM X201408691 MRMN SHL NCT 100 FNL, NCT 100 FWL 32-2N-23ECM COMPL. INT. (32-2N-23ECM) NCT 165 FNL, NCT 0 FSL, NCT 660 FWL COMPL. INT. (5-1N-23ECM) NCT 0 FNL, NCT 165 FSL, NCT 660 FEL NO OPR. NAMED REC 12/1/2014 (MCKEOWN)

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