

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

API NUMBER: 103 24694

Approval Date: 12/09/2014
Expiration Date: 06/09/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 22N Rge: 2W County: NOBLE
SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1650 990

Lease Name: SHIMANEK Well No: 2 Well will be 330 feet from nearest unit or lease boundary.
Operator Name: MAGNOLIA PETROLEUM INC Telephone: 9184498750 OTC/OCC Number: 22814 0

MAGNOLIA PETROLEUM INC
18452 E 111TH ST
BROKEN ARROW, OK 74011-9408

CURTIS SHIMANEK & WILLIAM SHIMANEK
14801 COUNTY ROAD 30
BILLINGS OK 74630

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

Name	Depth	Name	Depth
1 VERTZ	1820	6 VERDIGRIS	4650
2 HOGSHOOTER	4055	7 SKINNER	4690
3 CHECKERBOARD	4330	8 PINK LIME	4730
4 BIG LIME	4430	9 RED FORK	4740
5 OSWEGO 2	4480	10 MISSISSIPPI LIME	4875

Spacing Orders: 212377 Location Exception Orders: Increased Density Orders:
Pending CD Numbers: Special Orders:

Total Depth: 5300 Ground Elevation: 1015 **Surface Casing: 260** Depth to base of Treatable Water-Bearing FM: 210

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

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

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? 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: WELLINGTON

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-28738
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

Notes:

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.

Category	Description
FRAC FOCUS	11/13/2014 - G71 - THE REQUIREMENT FOR CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS WILL BE EXTENDED TO INCLUDE ALL NON-HORIZONTAL WELLS FOR HYDRAULIC FRACTURING OPERATIONS BEGINNING JANUARY 1, 2014. REFER TO OCC RULE 165:10-3-10 FOR COMPLIANCE REQUIREMENTS. PLEASE REPORT DIRECTLY TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM
SPACING	12/9/2014 - G76 - HGSR, CCKB, VRDG, PKLM UNSPACED; 160-ACRE LEASE (SE4)
SPACING - 212377	12/9/2014 - G76 - (40) 9-22N-2W EXT 44244/VAR/150319 SKNR EXT 70089 VRTZ EXT 161787 BGLM, RDFK, OSWG2, OTHERS EXT 183504 MSSLM, OTHERS EST OTHERS

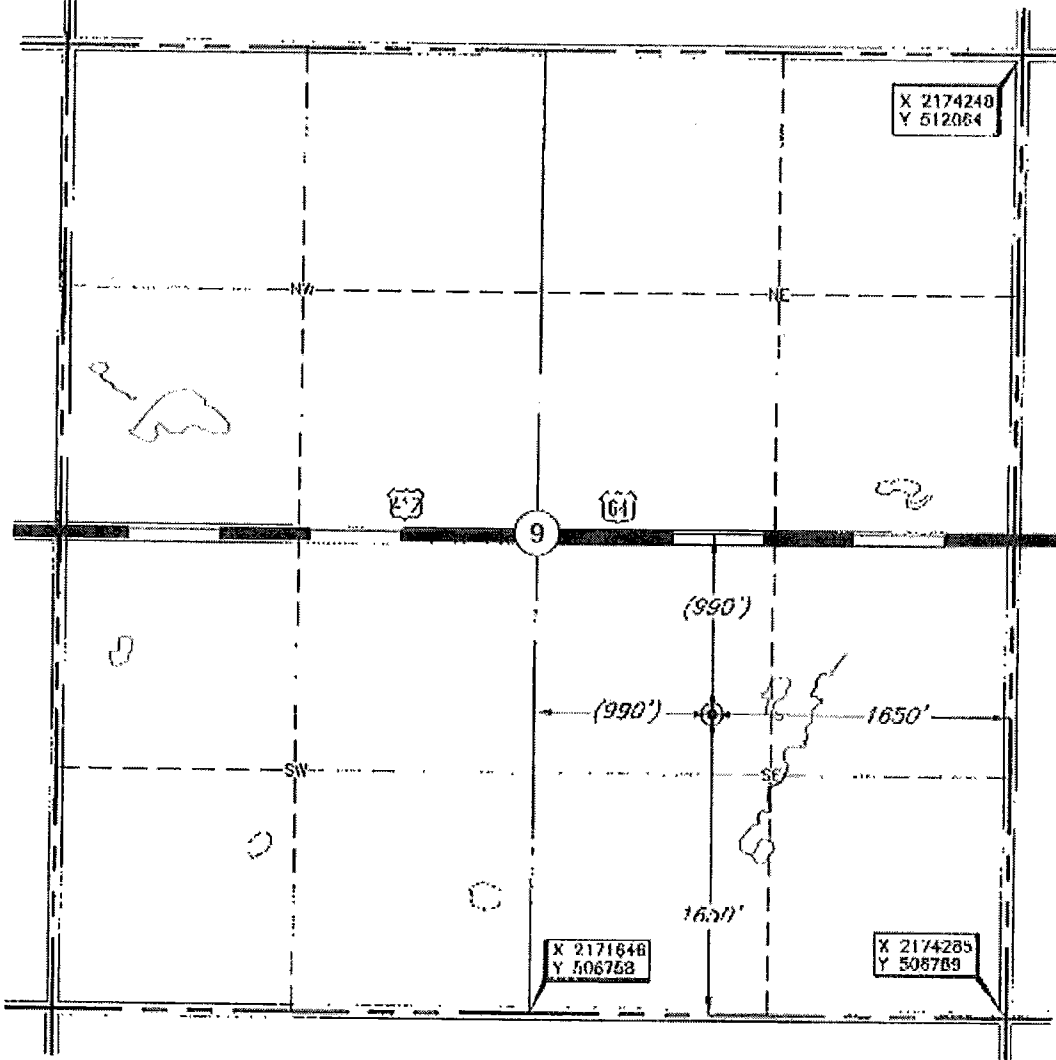
This permit does not address the right of entry or settlement of surface damages.
The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.
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API-
103-24694

NOBLE County, Oklahoma
 1650' FSI - 1650' FEL Section 9 Township 22N Range 2W I.M.

NOTE:
The information shown herein is for construction purposes ONLY.

TOPOGRA
1st. 1984
GRID
NAD-27
OK NORTH
US Feet
Scale:
1" = 1000'



Distances shown in (parenthesis) are calculated based upon the Quarter Section being 2640 feet. Those shown in [brackets] are based on GLO (General Land Office) distances and have NOT been measured on the ground.

Operator: MAGNOLIA PETROLEUM, INC

Lease Name: SHIMANICK Shimanek

Well No.: 1

ELEVATION:
1045' Gr. at Stake

Topography & Vegetation Loc. fell in a level pasture

Good Drill Site? Yes

Reference Stakes or Alternate Location
Stakes Set None

Best Accessibility to Location From South off County Road

Distance & Direction

from Hwy Jct or Town From I-35 and US HWY 412, Go ±4.5 miles West, then ±0.5 miles South to the SE corner of Sec. 9-22N-R2W

DATUM: NAD-27
 LAT: 36°23'43.0"N
 LONG: 97°24'48.5"W
 LAT: 36.395277808°N
 LONG: 97.413485129°W
 STATE PLANE
 COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 2172624
 Y: 508419

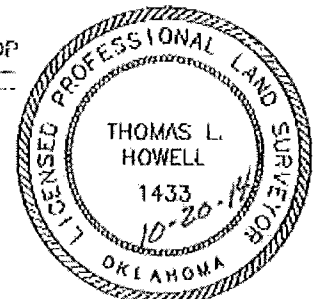
Date of Drawing: Oct. 20, 2014
 Invoice # 232223 Date Staked: Oct. 14, 2014

DP

CERTIFICATE:

I, Thomas L. Howell a Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein

Thomas L. Howell
 Oklahoma Lic. No. 1433



This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy