

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

API NUMBER: 045 23458 A

Approval Date: 12/17/2014
Expiration Date: 06/17/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 34 Twp: 17N Rge: 24W County: ELLIS
SPOT LOCATION: SE SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 210 2170

Lease Name: ROADRUNNER Well No: 2-34H Well will be 210 feet from nearest unit or lease boundary.
Operator Name: DUNCAN OIL PROPERTIES INC Telephone: 4052721800 OTC/OCC Number: 15876 0

DUNCAN OIL PROPERTIES INC
100 PARK AVE STE 1200
OKLAHOMA CITY, OK 73102-8023

OKLAHOMA DEPARTMENT 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	9812	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 138264 Location Exception Orders: 623111 Increased Density Orders:
Pending CD Numbers: Special Orders:

Total Depth: 14300 Ground Elevation: 2247 Surface Casing: 500 Depth to base of Treatable Water-Bearing FM: 450

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No 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: 90000 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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-26528

E. Haul to Commercial pit facility: Sec. 24 Twn. 14N Rng. 21W Cnty. 129 Order No: 372833

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: 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

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 34 Twp 17N Rge 24W County ELLIS

Spot Location of End Point: C N2 N2 N2

Feet From: NORTH 1/4 Section Line: 330

Feet From: EAST 1/4 Section Line: 2640

Depth of Deviation: 9248

Radius of Turn: 573

Direction: 353

Total Length: 4152

Measured Total Depth: 14300

True Vertical Depth: 9821

End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Category

Description

LOCATION EXCEPTION - 623111

12/17/2014 - G76 - (I.O.) 34-17N-24W
X138264 CLVD, OTHER
FIRST PERF NCT 330 FSL, NCT 1320 FEL OR FWL
LAST PERF NCT 330 FNL, NCT 1320 FEL OR FWL
DUNCAN OIL PROPERTIES, INC.
3-25-2014

MEMO

12/17/2014 - G76 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 -
OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

SPACING - 138264

12/17/2014 - G76 - (640) 34-17N-24W
EXT OTHERS
EXT 131528 CLVD, OTHERS