

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

API NUMBER: 129 24034

Approval Date: 12/18/2014
Expiration Date: 06/18/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 17N Rge: 24W

County: ROGER MILLS

SPOT LOCATION: SW SE SW SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 265 885

Lease Name: TWO D RANCH

Well No: 1H-31

Well will be 265 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

TWO D RANCH, LLC
14200 GAILLARDIA PARKWAY
OKLAHOMA CITY OK 73142

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

Name	Depth	Name	Depth
1 CLEVELAND	9700	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 138264

Location Exception Orders: 632078

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 14957

Ground Elevation: 2198

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 470

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-29161
H. CLOSED SYSTEM=STEEL PITS (REQUIRED - SOUTH CANADIAN RIVER)

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 31 Twp 17N Rge 24W County ROGER MILLS

Spot Location of End Point: S2 S2 SW SW

Feet From: SOUTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 9120

Radius of Turn: 580

Direction: 182

Total Length: 4926

Measured Total Depth: 14957

True Vertical Depth: 9700

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Category	Description
DEEP SURFACE CASING	12/4/2014 - G76 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING
LOCATION EXCEPTION - 632078	12/18/2014 - G75 - (I.O.) 31-17N-24W X138264 CLVD SHL 250 FSL, 750 FWL ** COMPL. INT. NCT 165 FSL, NCT 165 FNL, NCT 560 FWL ++ LE NORMAN OP. LLC 10-21-2014 ** ITD HAS SHL AS 265 FSL, 885 FWL 30-17N-24W; TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION PER OPERATOR ++ ITD HAS LATERAL DRILLED IN OPPOSITE DIRECTION; TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION PER OPERATOR
SPACING - 138264	12/18/2014 - G75 - (640) 31-17N-24W EXT OTHERS EXT 131528 CLVD, OTHERS