

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

API NUMBER: 139 24620

Approval Date: 12/23/2014
Expiration Date: 06/23/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 36 Twp: 2N Rge: 19ECM County: TEXAS

SPOT LOCATION: SE SE SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 235 1546

Lease Name: LITTAU Well No: 1-1H Well will be 235 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

SAM AND TERESA LITTAU
ROUTE 1, BOX 114A
BALCO OK 73931

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

| Name | Depth | Name | Depth |
|------------|-------|------|-------|
| 1 MARMATON | 5800 | 6 | |
| 2 | | 7 | |
| 3 | | 8 | |
| 4 | | 9 | |
| 5 | | 10 | |

Spacing Orders: 201408857

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201408858

Special Orders:

Total Depth: 10869

Ground Elevation: 2777

Surface Casing: 1995

Depth to base of Treatable Water-Bearing FM: 390

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: Yes

Surface Water used to Drill: No

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: 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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: PERMIAN

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-29154
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 01 Twp 1N Rge 19E County TEXAS

Spot Location of End Point: SE SW SE SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 760

Depth of Deviation: 5500

Radius of Turn: 740

Direction: 360

Total Length: 4500

Measured Total Depth: 10869

True Vertical Depth: 5833

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

Notes:

| Category | Description |
|------------------------|---|
| DEEP SURFACE CASING | 12/18/2014 - 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 - 201408858 | 12/23/2014 - G72 - 01-01N-19ECM (I.O.) X 2014058857 MRMN, SHL NCT 100 FSL NCT 100 FEL, 36-2N-19ECM COMP INT NCT 165 FNL NCT 165 FSL NCT 330 FEL, NO OPER NAMED, REC 12/22/2014 (JOHNSON) |
| PENDING CD - 201408857 | 12/23/2014 - G72 - (640 HORZ) 1-1N-19ECM EXT 620684 MRMN POE TO BHL NLT 330' FB, COEXIST 83284 MRMN REC 12/22/2014 (JOHNSON) |

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