

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

API NUMBER: 083 24363

Approval Date: 01/07/2015
Expiration Date: 07/07/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 06 Twp: 17N Rge: 3W

County: LOGAN

SPOT LOCATION: NE NW NE NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 250 780

Lease Name: ANNIS

Well No: 2-6-31MH

Well will be 250 feet from nearest unit or lease boundary.

Operator Name: STEPHENS PRODUCTION CO

Telephone: 4797834191

OTC/OCC Number: 23030 0

STEPHENS PRODUCTION CO
PO BOX 2407
FORT SMITH, AR 72902-2407

CAROL V. RICKS
6501 BROOKLINE #101
OKLAHOMA CITY OK 73112

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

Name	Depth	Name	Depth
1	MISSISSIPPIAN	5730	6
2			7
3			8
4			9
5			10

Spacing Orders: 618822
621056

Location Exception Orders: 634353

Increased Density Orders: 634436

Pending CD Numbers:

Special Orders:

Total Depth: 10800

Ground Elevation: 999

Surface Casing: 600

Depth to base of Treatable Water-Bearing FM: 220

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: ON SITE

A. Evaporation/dewater and backfilling of reserve pit.

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: GARBER

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 18N Rge 3W County LOGAN

Spot Location of End Point: NE NW NE NE

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 900

Depth of Deviation: 5000

Radius of Turn: 522

Direction: 355

Total Length: 4980

Measured Total Depth: 10800

True Vertical Depth: 5755

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

Notes:

Category	Description
DEEP SURFACE CASING	12/1/2014 - 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
INCREASED DENSITY - 634436	1/6/2015 - G76 - 31-18N-3W X618822/621056 MSSP 1 WELL STEPHENS PRODUCTION COMPANY 12/22/2014
LOCATION EXCEPTION - 634353	1/6/2015 - G76 - (I.O.) 31-18N-3W X618822/621056 MSSP COMPL. INT. NCT 150 FNL, NCT 150 FSL, NCT 660 FEL STEPHENS PRODUCTION COMPANY 12/19/2014
SPACING - 618822	1/6/2015 - G76 - (640)(HOR) 31-18N-3W VAC OTHER EXT 606981 MSSP, OTHERS POE TO BHL (MSSP, OTHER) NCT 660 FB POE TO BHL (OTHER) NCT 330 FB (SUPERSEDE NON-PRODUCING NON-HORIZONTAL SPACING UNITS; COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS)
SPACING - 621056	1/6/2015 - G76 - CONFIRM 618822 DUE TO NOTIFYING ADDITIONAL RESPONDENTS

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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.