

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

API NUMBER: 009 21970

Approval Date: 01/21/2015

Expiration Date: 07/21/2015

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 15 Twp: 9N Rge: 22W County: BECKHAM

SPOT LOCATION: C S2 NW FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 1980 1320

Lease Name: DIAMOND

Well No: 1-15

Well will be 660 feet from nearest unit or lease boundary.

Operator Name: PAYNE EXPLORATION COMPANY

Telephone: 4058439419

OTC/OCC Number: 918 0

PAYNE EXPLORATION COMPANY
7005 N ROBINSON AVE
OKLAHOMA CITY, OK 73116-9044

CLAYTON & GAYLA WOOD
19427 E 1240 ROAD
CARTER OK 73627

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

	Name	Depth	Name	Depth
1	BROWN DOLOMITE	3600	6	
2	VIRGILIAN GRANITE WASH	5600	7	
3	MISSOURIAN GRANITE WASH	7000	8	
4	DES MOINES GRANITE WASH	8500	9	
5			10	

Spacing Orders: 246747

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 9200

Ground Elevation: 1834

Surface Casing: 500

Depth to base of Treatable Water-Bearing FM: 410

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: 70000 Average: 5100

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

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 14-28747

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.

009 21970 DIAMOND 1-15

Category	Description
FRAC FOCUS	1/21/2015 - G76 - 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 - 246747	1/21/2015 - G91 - (160) 15-9N-22W VAC OTHERS VAC 53980 (CORRECTED TO 42347 BY 201409386) DSMSA VAC 53980 (CORRECTED TO 45585 BY 201409386) MSSR VAC 49688 DMSB1, DSMSC EST BRWDO, VRGGW, MOGW, DMSGW, OTHERS