API NUMBER: 047 25021

Oil & Gas

Horizontal Hole

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

Approval Date: 03/25/2015
Expiration Date: 09/25/2015

23402 0

Well will be 225 feet from nearest unit or lease boundary.

OTC/OCC Number:

PERMIT TO DRILL

								<u></u>
WELL LOCATION:	Sec: 28	Twp: 21N	Rge: 8W	County:	GARI	FIELD		
SPOT LOCATION:	SE SE	SW	sw	FEET FROM QUARTER:	FROM	SOUTH	FROM	WEST
				SECTION LINES:		225		1000
Lease Name: (COTTONTAIL			Well	No:	1-28H		
Operator U S ENERGY DEVELOPMENT CORPORATION Name:					Teleph	one:	7166360401	

NOLA JO HILL 2830 NORTH CLEVELAND STREET

ENID OK 73703

U S ENERGY DEVELOPMENT CORPORATION
2350 N FOREST RD
GETZVILLE, NY 14068-1296

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

	Name	Depth	Name	Depth
1	MISS SAND	7000	6	
2			7	
3			8	
4			9	
5			10	
Spacing Orders	s: 62980	Location Exception Or	ders:	Increased Density Orders:

Pending CD Numbers: 201501019 Special Orders:

201501023

Total Depth: 12080 Ground Elevation: 1230 Surface Casing: 420 Depth to base of Treatable Water-Bearing FM: 370

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 D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 15-29793

Chlorides Max: 8000 Average: 5000 H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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 BED AQUIFER

Pit Location Formation: CEDAR HILLS

HORIZONTAL HOLE 1

Sec 28 Twp 21N Rge 8W County GARFIELD

Spot Location of End Point: NE NE NW NW
Feet From: NORTH 1/4 Section Line: 200
Feet From: WEST 1/4 Section Line: 1000

Depth of Deviation: 6600
Radius of Turn: 600
Direction: 360
Total Length: 4537

Measured Total Depth: 12080

True Vertical Depth: 7200

End Point Location from Lease,
Unit, or Property Line: 200

Notes:

Category Description

PENDING CD - 201501019 3/24/2015 - G75 - 28-21N-8W

X62980 MSSND 2 WELLS

NO OP. NAMED

REC 3-13-2015 (NORRIS)

PENDING CD - 201501023 3/24/2015 - G75 - (I.O.) 28-21N-8W

X62980 MSSND

SHL NCT 200 FSL, NCT 660 FWL

COMPL. INT. NCT 200 FSL, NCT 200 FNL, NCT 660 FWL

BHL NCT 200 FNL, NCT 660 FWL

NO OP. NAMED

REC 3-13-2015 (NORRIS)

SPACING - 62980 3/24/2015 - G75 - (640) 28-21N-8W

VAC OTHER EXT 60948 MSSND

SURFACE LOCATION 3/24/2015 - G75 - 225' FSL, 1000' FWL SW4 28-21N-8W PER SURVEY PLAT;

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219

Certificate of Authorization No. 1293. API 047-25021 GARFIELD County, Oklahoma
21N Range 225'FSL-1000'FWL 8W__I.M. 28 _ Section __ Township X 1985116 Y 464049 X 1979821 Y 464050 1082444 1623 Y 464061 BOTTOM HOLE BOTTOM HOLE 200'FNL-1000'FWL 36'16'27.4" N 98'03'54.2" W 36.274272046' N 98.065064311' W X= 1980821 Y= 463854 2433 PIPELINE MARKER X 1979818 Y 461422 X 1985112 Y 461420 28 GRID NAD-27 OK NORTH US FEET 2405 Scale: = 1000' X 1979814 X 1985112 1000 1648 458780 X 1982463 Y 458787 NOTE: BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED. The information shown herein is for construction purposes <u>ONLY.</u> Operator: US ENERGY DEVELOPMENT CORP. **ELEVATION:** Lease Name: _ COTTONTAIL Well No.: #1-28H 1230' Gr. at Stake Topography & Vegetation Loc. fell in wheat field Reference Stakes or Alternate Location Good Drill Site? __ Yes Stakes Set None From South off county road Best Accessibility to Location _ Distance & Direction From Drummond, OK, go ±0.1 mile East, then ±2.75 miles South on St. Hwy 132, from Hwy Jct or Town ___ then ±2 miles West to the Southwest Corner of Section 28, T21N-R8W WAS ESSIONAL Date of Drawing: Mar. 6, 2015 DATUM: NAD-27 Invoice # 240853 Date Staked: Mar. 5, 2015 LC LAT: 36'15'39.5"N LONG: 98'03'54.3"W **CERTIFICATE:** LAT: 36.260981222 N CENSED Lee K. Goss SURVE _an Oklahoma Licensed Land LEE K. LONG: 98.065077161° W Surveyor and an authorized agent of Topographic Land GOSS STATE PLANE Surveyors of Oklahoma, do hereby certify to the 1778 O'AL AHOMA COORDINATES (US FEET): information shown herein. ZONE: OK NORTH X: 1980814 1778 459016 Oklahoma Lic. No. _