

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

API NUMBER: 019 26150 A

Approval Date: 12/05/2014
Expiration Date: 06/05/2015

Directional Hole Oil & Gas

Amend reason: CHANGE TO DIRECTIONAL HOLE; DELETE FORMATIONS

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 17 Twp: 4S Rge: 1W

County: CARTER

SPOT LOCATION: SE NW NW SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 2140 500

Lease Name: RABE

Well No: 1-17

Well will be 500 feet from nearest unit or lease boundary.

Operator Name: AVALON EXPLORATION INC

Telephone: 9185230600

OTC/OCC Number: 14147 0

AVALON EXPLORATION INC
15 W 6TH ST STE 2300
TULSA, OK 74119-5401

ROBERT & BILLIE RABE, CO-TRUSTEES
P.O. BOX 558
LONE GROVE OK 73443

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

Name	Depth	Name	Depth
1 FUSULINID LOW	6900	6	
2 TUSSY UP (EASON)	7400	7	
3		8	
4		9	
5		10	

Spacing Orders: 358488

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201501554

Special Orders:

Total Depth: 9975

Ground Elevation: 943

Surface Casing: 900

Depth to base of Treatable Water-Bearing FM: 520

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE

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: WELLINGTON

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

B. Solidification of pit contents.

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

PERMIT NO: 14-28840

DIRECTIONAL HOLE 1

Sec 17 Twp 4S Rge 1W County CARTER

Spot Location of End Point: SW NW NW SW

Feet From: NORTH 1/4 Section Line: 445

Feet From: WEST 1/4 Section Line: 241

Measured Total Depth: 9975

True Vertical Depth: 9945

End Point Location from Lease,

Unit, or Property Line: 241

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.

Category	Description
DEEP SURFACE CASING	11/5/2014 - 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
FRAC FOCUS	11/5/2014 - G71 - 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
PENDING CD - 201501554	4/6/2015 - G76 - (I.O.) NW4 SW4 17-4S-1W X358488 FSLDL, TSYUE SHL 500 FNL, 500 FWL ENTRY FSLDL 498 FNL, 266 FWL ENTRY TSYUE 471 FNL, 254 FWL BHL 445 FNL, 241 FWL NO OP. NAMED REC. 4-13-2015 (JOHNSON)
SPACING - 358488	4/3/2015 - G75 - (640/40) 17-4S-1W EXT (40) 258643 FSLDL, TSYUE, OTHERS EXT (40) OTHERS EXT (640) OTHERS

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