

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

API NUMBER: 051 24037 A

Approval Date: 05/16/2016

Expiration Date: 11/16/2016

Horizontal Hole Oil & Gas

Amend reason: OCC CORRECTION FOR SURFACE & BOTTOM-HOLE LOCATION; UPDATE BOTTOM-HOLE INFORMATION

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 11 Twp: 3N Rge: 6W

County: GRADY

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 290 283

Lease Name: MICHELLE ABEL

Well No: 1-11-2XH

Well will be 283 feet from nearest unit or lease boundary.

Operator Name: MARATHON OIL COMPANY

Telephone: 7132962003

OTC/OCC Number: 1363 0

MARATHON OIL COMPANY
5555 SAN FELIPE ST
HOUSTON, TX 77056-2701

KERRY CASTLE AND HEATHER CASTLE
520 STATE HWY #17
RUSH SPRINGS OK 73082

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

	Name	Depth	Name	Depth
1	MORROW	10887	6	
2	SPRINGER	12791	7	
3	MISS (DEEP)	12815	8	
4			9	
5			10	

Spacing Orders: 402586
608309

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201601185
201601184

Special Orders:

Total Depth: 23362

Ground Elevation: 1250

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 560

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: 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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: MARLOW

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

PERMIT NO: 16-31216

H. SEE MEMO

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.

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 300000 Average: 200000

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: MARLOW

HORIZONTAL HOLE 1

Sec 02 Twp 3N Rge 6W County GRADY

Spot Location of End Point: N2 NW NW SW

Feet From: NORTH 1/4 Section Line: 150

Feet From: WEST 1/4 Section Line: 330

Depth of Deviation: 12820

Radius of Turn: 750

Direction: 315

Total Length: 9364

Measured Total Depth: 23362

True Vertical Depth: 12815

End Point Location from Lease,
Unit, or Property Line: 150

Notes:

Category

Description

DEEP SURFACE CASING

5/9/2016 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING

HYDRAULIC FRACTURING

5/9/2016 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK [HTTP://FRACFOCUS.ORG/](http://fracfocus.org/) WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE.

MEMO

5/9/2016 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201601184

5/9/2016 - G60 - (I.O.) 2 & 11-3N-6W
EST MULTIUNIT HORIZONTAL WELL
X608309 MRRW, SPRG, MSSDP 11-3N-6W
X402586 MRRW, SPRG, MSSDP 2-3N-6W
(MRRW AND MSSDP ARE ASSOCIATED COMMON SOURCES OF SUPPLY TO SPRG)
60% 11-3N-6W
40% 2-3N-6W
MARATHON OIL COMPANY
REC. 4-18-16 (P. PORTER)

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.

051 24037 MICHELLE ABEL 1-11-2XH

Category	Description
PENDING CD - 201601185	5/9/2016 - G60 - (I.O.) 2 & 11-3N-6W X608309 MRRW, SPRG, MSSDP 11-3N-6W X402586 MRRW, SPRG, MSSDP 2-3N-6W COMPL. INT. (11-3N-6W) NCT 150' FSL, NCT 0' FNL, NCT 330' FEL OR FWL COMPL. INT. (2-3N-6W) NCT 0' FSL, NCT 150' FNL, NCT 330' FEL OR FWL MARATHON OIL COMPANY REC. 4-18-16 (P. PORTER)
SPACING - 402586	5/9/2016 - G60 - (640/40) 2-3N-6W EXT (40) OTHERS EXT (640) OTHERS EXT 383611 (640) MRRW, SPRG, OTHERS EST (640) MSSDP
SPACING - 608309	5/9/2016 - G60 - (640) 11-3N-6W EXT OTHERS EST OTHERS EXT 402586 MRRW, SPRG, MSSDP, OTHERS