

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

API NUMBER: 129 24077

Approval Date: 06/14/2016
Expiration Date: 12/14/2016

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 25 Twp: 17N Rge: 25W County: ROGER MILLS
SPOT LOCATION: NW SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 510 2500

Lease Name: TWO D RANCH Well No: 1H-36 Well will be 510 feet from nearest unit or lease boundary.
Operator Name: LE NORMAN OPERATING LLC Telephone: 4055481200 OTC/OCC Number: 22738 0

LE NORMAN OPERATING LLC
4700 GAILLARDIA PKWY STE 200
OKLAHOMA CITY, OK 73142-1839

TWO D RANCH LLC
14200 GAILLARDIA LANE
OKLAHOMA CITY OK 73142

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

Name	Depth	Name	Depth
1 CLEVELAND	9650	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 651614

Location Exception Orders: 652091

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 14917

Ground Elevation: 2131

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 480

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 35000 Average: 8000

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: OGALLALA

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 16-31330

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: OGALLALA

HORIZONTAL HOLE 1

Sec 36 Twp 17N Rge 25W County ROGER MILLS

Spot Location of End Point: SW SW SW SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 2500

Depth of Deviation: 9070

Radius of Turn: 580

Direction: 180

Total Length: 4936

Measured Total Depth: 14917

True Vertical Depth: 9650

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Category

Description

DEEP SURFACE CASING

6/14/2016 - 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

6/14/2016 - 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.

LOCATION EXCEPTION - 652091

6/14/2016 - G60 - (I.O.) 36-17N-25W
X651614 CLVD
COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 560' FEL
LE NORMAN OPERATING LLC.
4-26-16

MEMO

6/14/2016 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 651614

6/14/2016 - G60 - (640) 36-17N-25W
EXT 629333 CLVD
POE TO BHL NLT 660' FB

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