API NUMBER: 011 23650

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: 09/09/2016
Expiration Date: 03/09/2017

PERMIT TO DRILL

WELL LOCATION: Sec: 04 Twp: 13N Rge: 12W County: BLAINE

SPOT LOCATION: S2 SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST SECTION LINES:

SECTION LINES: 250 2310

Lease Name: MCKINLEY BIA 1312 Well No: 1-4-33MXH Well will be 250 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

MARC C. MCKINLEY ROUTE 1, BOX 37

GEARY OK 73040

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

 Name
 Depth
 Name
 Depth

 1
 MISSISSIPPIAN
 13134
 6

 2
 WOODFORD
 14954
 7

8

2 WOODFORD 14954 3

4 9 5 10

Spacing Orders: 651613 Location Exception Orders: Increased Density Orders:

Pending CD Numbers: 201602652 Special Orders:

201602651

Total Depth: 22826 Ground Elevation: 1707 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 250

Under Federal Jurisdiction: Yes 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: 8000 Average: 5000

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

E. Haul to Commercial pit facility: Sec. 31 Twn. 12N Rng. 8W Cnty. 17 Order No: 587498

H SEE MEMO

## 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 AP/TE DEPOSIT
Pit Location Formation: TERRACE

## HORIZONTAL HOLE 1

Sec 33 Twp 14N Rge 12W County BLAINE

Spot Location of End Point: N2 NW NW NE
Feet From: NORTH 1/4 Section Line: 100
Feet From: EAST 1/4 Section Line: 2310

Depth of Deviation: 12234
Radius of Turn: 573
Direction: 360
Total Length: 9692

Measured Total Depth: 22826

True Vertical Depth: 14954

End Point Location from Lease,
Unit, or Property Line: 100

Notes:

Category Description

DEEP SURFACE CASING 9/8/2016 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF

CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR

SURFACE CASING

HYDRAULIC FRACTURING 9/8/2016 - 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/ 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 9/8/2016 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 -

OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

PENDING CD - 201602649 9/9/2016 - G75 - (640) 33-14N-12W

VAC 115876 CSTR, MPLM EXT 651613 MSSP, WDFD REC 7-25-2016 (M. PORTER)

PENDING CD - 201602651 9/9/2016 - G75 - (I.O.) 4-13N-12W & 33-14N-12W

EST MULTIUNIT HORIZONTAL WELL

**XOTHER** 

X651613 MSSP, WDFD 4-13N-12W X201602649 MSSP, WDFD 33-14N-12W

(WDFD ASSOCIATED COMMON SOURCE OF SUPPLY TO MSSP)

50% 4-13N-12W 50% 33-14N-12W MARATHON OIL CO. REC 7-25-2016 (M. 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.

011 23650 MCKINLEY BIA 1312 1-4-33MXH

Category Description

PENDING CD - 201602652 9/9/2016 - G75 - (I.O.) 4-13N-12W & 33-14N-12W

**XOTHER** 

X651613 MSSP, WDFD 4-13N-12W X201602649 MSSP, WDFD 33-14N-12W

COMPL. INT. (4-13N-12W) NCT 150' FSL, NCT 0' FNL, NCT 330' FEL COMPL. INT. (33-14N-12W) NCT 0' FSL, NCT 150' FNL, NCT 330' FEL

MARATHON OIL CO.

REC 7-25-2016 (M. PORTER)

SPACING - 651613 9/9/2016 - G75 - (640) 4-13N-12W

VAC 191687 CSTR, MPLM EXT 597199 MSSP, WDFD

API 011-23650

