

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

API NUMBER: 011 23647 A

Approval Date: 08/31/2016
Expiration Date: 02/28/2017

Horizontal Hole Oil & Gas

Amend reason: CHANGE METHOD OF DISPOSAL OF DRILLING FLUIDS

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 26 Twp: 16N Rge: 10W County: BLAINE
SPOT LOCATION: SW NE NE NE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 450 415

Lease Name: VERONA Well No: 7-23-14XH Well will be 450 feet from nearest unit or lease boundary.
Operator Name: CONTINENTAL RESOURCES INC Telephone: 4052349020; 4052349 OTC/OCC Number: 3186 0

CONTINENTAL RESOURCES INC
PO BOX 269000
OKLAHOMA CITY, OK 73126-9000

JOYCE ROHLING LORENZ
919 N. BURFORD AVE
WATONGA OK 73772

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

Name	Depth	Name	Depth
1	MISSISSIPPIAN	10109	6
2			7
3			8
4			9
5			10

Spacing Orders: 646704

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201602442
201602428
201602427
201602441

Special Orders:

Total Depth: 19603 Ground Elevation: 1198 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 40

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 8000 Average: 5000

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: FLOWERPOT

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 16-31463
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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: FLOWERPOT

HORIZONTAL HOLE 1

Sec 14 Twp 16N Rge 10W County BLAINE

Spot Location of End Point: N2 NW NE NE

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 990

Depth of Deviation: 9347

Radius of Turn: 477

Direction: 357

Total Length: 9507

Measured Total Depth: 19603

True Vertical Depth: 10109

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Category

Description

DEEP SURFACE CASING

8/17/2016 - 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

8/17/2016 - 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.

INTERMEDIATE CASING

8/17/2016 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES

MEMO

9/12/2016 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 1 - WBM & CUTTINGS TO ORDER # 652009, 5-16N-10W, BLAINE CO.; PIT 2 - OBM TO VENDOR, OBM CUTTINGS TO ORDER # 635589, 18-15N-7W, KINGFISHER CO.

PENDING CD - 201602427

8/22/2016 - G60 - (E.O.) 14-16N-10W
X646704 MSSP
7 WELLS
CONTINENTAL RESOURCES INC.
REC. 8-30-16 (DECKER)

PENDING CD - 201602428

8/22/2016 - G60 - (E.O.) 23-16N-10W
X646704 MSSP
7 WELLS
CONTINENTAL RESOURCES, INC.
REC. 8-30-16 (DECKER)

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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
PENDING CD - 201602441	8/22/2016 - G60 - (E.O.) 23 & 14-16N-10W EST MULTIUNIT HORIZONTAL WELL X646704 MSSP, OTHER 50% 23-16N-10W 50% 14-16N-10W CONTINENTAL RESOURCES INC. REC. 8/16/16 (P. PORTER)
PENDING CD - 201602442	8/22/2016 - G60 - (E.O.) 23 & 14-16N-10W X646704 MSSP X165:10-3-28 MAY BE CLOSER THAN 600' TO ANOTHER WELL SHL 280' FSL, 750' FEL (23-16N-10W) ** COMPL. INT. (23-16N-10W) NCT 150' FSL, NCT 0' FNL, NCT 330' FEL COMPL. INT. (14-16N-10W) NCT 0' FSL, NCT 150' FNL, NCT 330' FEL CONTINENTAL RESOURCES, INC. REC. 8/16/16 (P. PORTER)
	**450' FNL, 415' FEL (26-16N-10W) WILL BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION
SPACING - 646704	8/22/2016 - G60 - (640) 14 & 23-16N-10W VAC S2 14-16N-10W MCSTR EXT OTHERS EST MSSP COMPL. INT. NCT 660' FB (COEXIST WITH SP. ORDER 249274/252403 MSSSD (SECTION 14); SP. ORDER 249274/252403 MCSTR (N2 SECTION 14); 168134/169097 MSSSD NE4 (SECTION 14); SP. ORDER 290837 MCSTR (SECTION 23); SP. ORDER 168134/16997 MSSD SW4 (SECTION 23)

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