

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

API NUMBER: 081 24278 B

Approval Date: 09/15/2016
Expiration Date: 03/15/2017

Horizontal Hole Oil & Gas

Amend reason: CHANGE METHOD OF DISPOSAL OF DRILLING FLUIDS

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 34 Twp: 13N Rge: 4E County: LINCOLN
SPOT LOCATION: S2 NE SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 800 1650

Lease Name: NORTH PAYSON Well No: 1H Well will be 800 feet from nearest unit or lease boundary.
Operator Name: GILLHAM PAUL OIL COMPANY Telephone: 4059978549 OTC/OCC Number: 18920 0

GILLHAM PAUL OIL COMPANY
PO BOX 699
MAUD, OK 74854-0699

TOMAR LLC
PO BOX 95089
OKLAHOMA CITY OK 73143

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

	Name	Depth	Name	Depth
1	PRUE	3920	6	
2	SKINNER	4100	7	
3	RED FORK	4240	8	
4			9	
5			10	

Spacing Orders: 655041

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 9551

Ground Elevation: 913

Surface Casing: 110

Depth to base of Treatable Water-Bearing FM: 60

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: 2000

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: OSCAR

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 16-31612

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.

HORIZONTAL HOLE 1

Sec 35 Twp 13N Rge 4E County LINCOLN

Spot Location of End Point: NE SE NE NW

Feet From: SOUTH 1/4 Section Line: 1758

Feet From: EAST 1/4 Section Line: 75

Depth of Deviation: 3523

Radius of Turn: 861

Direction: 63

Total Length: 4675

Measured Total Depth: 9551

True Vertical Depth: 4271

End Point Location from Lease,
Unit, or Property Line: 75

Notes:

Category

Description

BOTTOM HOLE LOCATION

9/14/2016 - G64 - 1758' FSL, 75' FEL NW4 35-13N-4E PER STAKING PLAT

COMPLETION INTERVAL

9/14/2016 - G64 - COMPL. INT. FOR PRUE, SKINNER, AND REDFORK WILL BE GREATER THAN 660' FROM BOUNDARY PER OPERATOR

HYDRAULIC FRACTURING

9/12/2016 - 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.

SPACING - 655041

9/14/2016 - G64 - (480)(HOR)(IRR. UNIT) SE4 34 & W2 35-13N-4E VAC 27355/27498/28934 SKNR SE4 34 & W2 35-12N-4E ** EXCLUDE 35879 SKNR S2 N2 SE4, S2 SE4 34 & W2 35-13N-4E EST PRUE, SKNR, RDFK, OTHER POE TO BHL NCT 660' FB

**S/B SE4 34 & W2 35-13N-4E; NUNC PRO TUNC HAS BEEN SUBMITTED TO OCC FOR REVIEW BY ATTORNEY FOR THE OPERATOR

SURFACE LOCATION

9/14/2016 - G64 - 800' FSL, 1650' FEL SE4 31-13N-4E PER STAKING PLAT