

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

API NUMBER: 017 24938

Approval Date: 09/20/2016
Expiration Date: 03/20/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 15 Twp: 13N Rge: 6W

County: CANADIAN

SPOT LOCATION: SW SW SW SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 170 234

Lease Name: SCHULTE 1306

Well No: 1-15MH

Well will be 170 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

PAUL SCHULTE & CAROLYN SCHULTE
302 N. MAIN STREET
KINGFISHER OK 73750

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	8080	6	
2 WOODFORD	8408	7	
3 HUNTON	8480	8	
4		9	
5		10	

Spacing Orders: 649888

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201603700

Special Orders:

Total Depth: 13400

Ground Elevation: 1307

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 440

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

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: 4000

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: DUNCAN

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

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: 225000

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: DUNCAN

HORIZONTAL HOLE 1

Sec 15 Twp 13N Rge 6W County CANADIAN

Spot Location of End Point: N2 NW NW NW

Feet From: NORTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 330

Depth of Deviation: 7820

Radius of Turn: 750

Direction: 2

Total Length: 4402

Measured Total Depth: 13400

True Vertical Depth: 8573

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

Notes:

Category

Description

DEEP SURFACE CASING

8/26/2016 - 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

8/26/2016 - 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

8/26/2016 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

PENDING CD - 201603700

8/26/2016 - G75 - (I.O.) 15-13N-6W
X649888 MSSP, WDFD, HNTN
COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FWL
NO OP. NAMED
REC 9-19-2016 (COLAW)

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.

Category

Description

SPACING - 649888

8/26/2016 - G75 - (640)(HOR) 15-13N-6W
VAC 121649 MISS, HNTN NW4
VAC 122201 MISS, HNTN SW4
VAC 96518 HNTN W2 NE4
VAC 96519 MISS E2 NE4
EXT 615782 MSSP, WDFD, HNTN
COMPL. INT. (MSSP, HNTN) NLT 660' FB
COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL
(COEXIST SP. ORDER # 122201 MISS, HNTN SE4; ORDER # 96518 HNTN E2 NE4 & ORDER #
96519 MISS W2 NE4)

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.

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

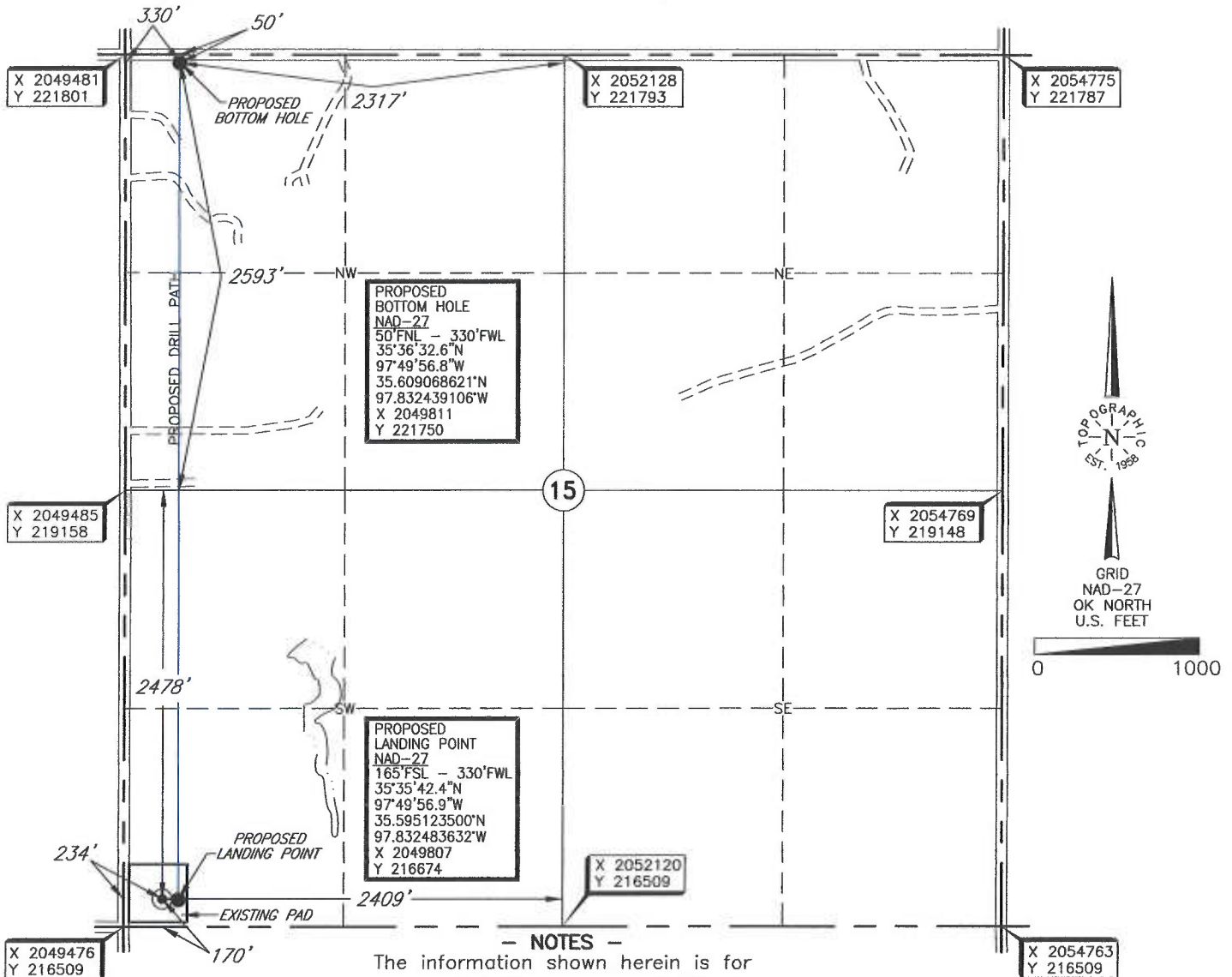
6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
 Certificate of Authorization No. 1293 LS

CANADIAN

County, Oklahoma

API 017-24938

170'FSL - 234'FWL Section 15 Township 13N Range 6W I.M.



- NOTES -

The information shown herein is for construction purposes ONLY.
 Bottom hole, Landing Point and Drill Path plotted by information provide by Client

Operator: MARATHON OIL COMPANY

Lease Name: SCHULTE 1306 Well No.: 1-15MH **ELEVATION:** 1307' Gr. at Level Pad

Topography & Vegetation Location fell on level pad, "T" post (165'FSL - 200'FWL) 34' SW.

Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set None

Best Accessibility to Location From west off county road.

Distance & Direction from Hwy Jct or Town From the Jct. of St. Hwy. 4 and Britton Road, North of Yukon, Ok., go ±5 miles West on Britton Road, then ±2 miles North to the SW corner of Section 15, T13N-R6W.

(This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy.)

DATUM: NAD-27
 LAT: 35°35'42.5"N
 LONG: 97°49'58.1"W
 LAT: 35.595137579°N
 LONG: 97.832806731°W
 STATE PLANE COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 2049711
 Y: 216679

Date of Drawing: August 16, 2016
 Invoice # 263845 Date Staked: August 15, 2016 RKM

CERTIFICATE:

I, Thomas L. Howell an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein

Thomas L. Howell
 Oklahoma Lic. No. 1433

