API NUMBER: 011 23660

Horizontal Hole Oil & Gas

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

Approval Date: 09/23/2016
Expiration Date: 03/23/2017

PERMIT TO DRILL

WELL LOCATION: Sec: 12 Twp: 16N Rge: 11W County: BLAINE

SPOT LOCATION: NE SW SW SW FEET FROM QUARTER: FROM **SOUTH** FROM **WEST**
SECTION LINES: **592** **448**

Lease Name: BINDER **Well No: 2R-13H** **Well will be 448 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

CLAYTON J. & CHRISTI L. HUFNAGEL
PO BOX 601
OKARCHE OK 73762

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

	Name	Depth		Name	Depth
1	WOODFORD	11155	6		
2			7		
3			8		
4			9		
5			10		

Spacing Orders: 597601 Location Exception Orders: Increased Density Orders:

Pending CD Numbers: 201603949
201603948

Special Orders:

Total Depth: 16339 Ground Elevation: 1489 **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: DOG CREEK

Approved Method for disposal of Drilling Fluids:

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: DOG CREEK

HORIZONTAL HOLE 1

Sec 13 Twp 16N Rge 11W County BLAINE

Spot Location of End Point: SW SE SE SW

Feet From: SOUTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 2230

Depth of Deviation: 10385

Radius of Turn: 477

Direction: 182

Total Length: 5203

Measured Total Depth: 16339

True Vertical Depth: 11155

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

Notes:

Category	Description
DEEP SURFACE CASING	9/13/2016 - 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	9/13/2016 - 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.
INTERMEDIATE CASING	9/13/2016 - 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	9/13/2016 - 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 - 201603948	9/14/2016 - G60 - 13-16N-11W X597601 WDFD 2 WELLS NO OP. NAMED HEARING 10-3-16
PENDING CD - 201603949	9/14/2016 - G60 - (E.O.) 13-16N-11W X597601 WDFD COMPL. INT. (13-16N-11W) NCT 150 FSL, NCT 150 FNL, NCT 1320 FWL CONTINENTAL RESOURCES, INC. REC. 10-3-2016 (P. 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.

Category	Description
SPACING - 597601	9/14/2016 - G60 - (640) 13-16N-11W VAC OTHERS EST WDFD, OTHERS EXT OTHERS

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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.