

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

API NUMBER: 051 24085

Approval Date: 11/23/2016
Expiration Date: 05/23/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 4N Rge: 5W

County: GRADY

SPOT LOCATION: SW SW SE SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 304 1095

Lease Name: MARIE 0405

Well No: 2-27SH

Well will be 304 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

SPIES PROPERTY TRUST/RUSSELL LEE SPIES
136 7TH AVENUE
KIRKLAND WA 98033

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

	Name	Depth	Name	Depth
1	CHESTER	14200	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 585288

Location Exception Orders: 650376

Increased Density Orders: 650411

Pending CD Numbers:

Special Orders:

Total Depth: 17722

Ground Elevation: 1177

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 560

Under Federal Jurisdiction: No

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: 5000 Average: 3000

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

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

PERMIT NO: 16-31204

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 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 27 Twp 4N Rge 5W County GRADY

Spot Location of End Point: NW NE NW NE

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 1870

Depth of Deviation: 12223

Radius of Turn: 462

Direction: 357

Total Length: 4773

Measured Total Depth: 17722

True Vertical Depth: 14200

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

Notes:

Category

Description

DEEP SURFACE CASING

11/18/2016 - 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

11/18/2016 - 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.

INCREASED DENSITY - 650411

11/21/2016 - G60 - 27-4N-5W
X585288 CSTR
3 WELLS
MARATHON OIL COMPANY 3/2/16

LOCATION EXCEPTION - 650376

11/21/2016 - G60 - (I.O.) 27-4N-5W
X585288 CSTR
COMPL. INT. NCT 150' FNL, NCT 150' FSL, NCT 250' FEL
MARATHON OIL COMPANY
2/22/16

MEMO

11/18/2016 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

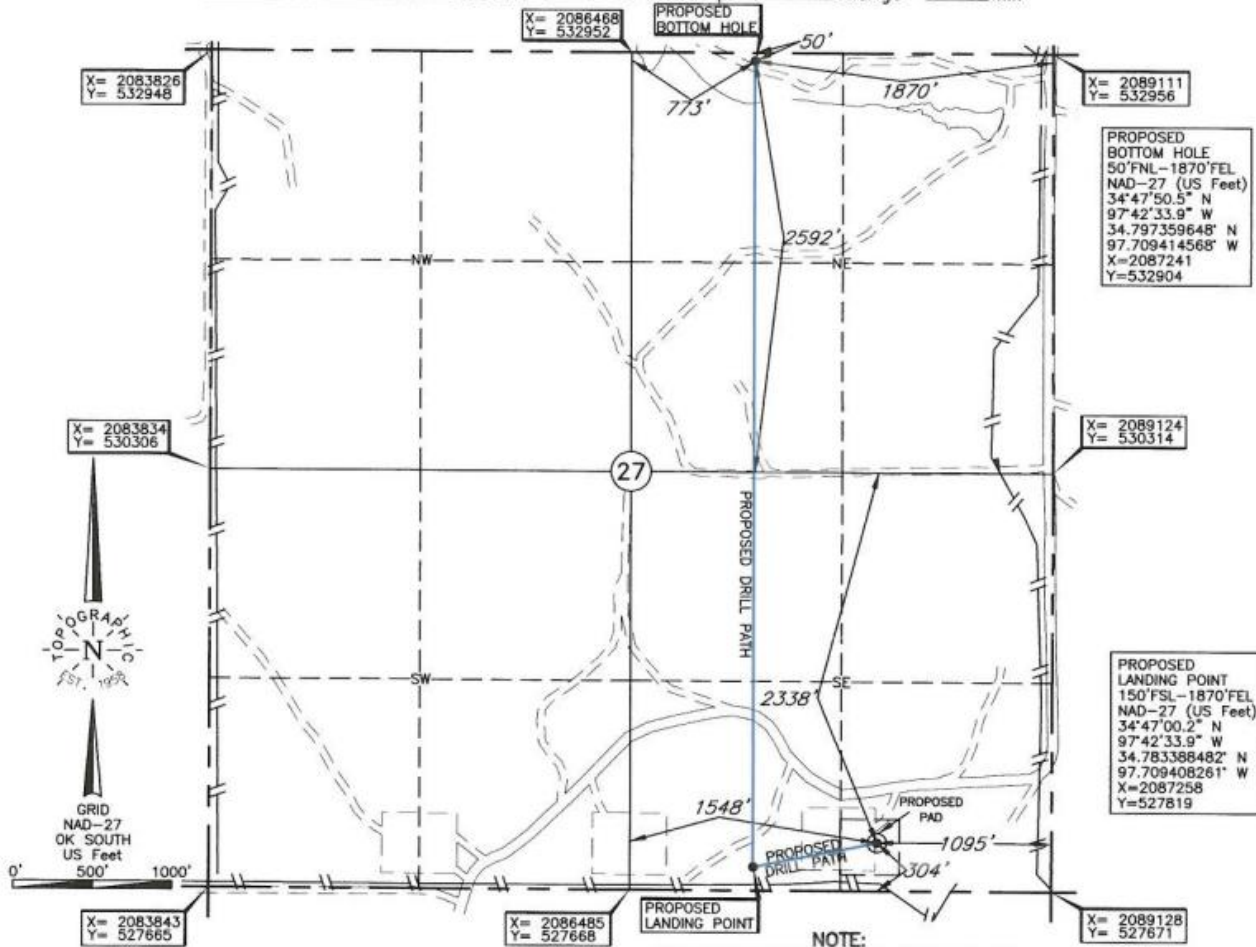
SPACING - 585288

11/21/2016 - G60 - (640) 27-4N-5W
EST CSTR, OTHERS
EXT OTHERS
COMPL. INT. NCT 660' FB

This permit does not address the right of entry or settlement of surface damages.
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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.

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
 GRADY

304'FSL - 1095'FEL Section 27 Township 4N Range 5W I.M.



PROPOSED BOTTOM HOLE
 50'FNL-1870'FEL
 NAD-27 (US Feet)
 34°47'50.5" N
 97°42'33.9" W
 34.787359648' N
 97.709414568' W
 X=2087241
 Y=532904

PROPOSED LANDING POINT
 150'FSL-1870'FEL
 NAD-27 (US Feet)
 34°47'00.2" N
 97°42'33.9" W
 34.783388482' N
 97.709408261' W
 X=2087258
 Y=527619

NOTE:
 The information shown herein is for construction purposes ONLY.

Operator: MARATHON OIL COMPANY
 Lease Name: MARIE 0405 Well No.: 2-27SH **ELEVATION:** 1177' Gr. at level pad
 Topography & Vegetation Loc. fell on existing pad and pasture, ±230' East of existing well
 Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set None
 Best Accessibility to Location From East off county road
 Distance & Direction From Alex, OK, go ±7.0 mi. South, then ±5.0 mi. East, then ±1.0 mi. South
to the NE Cor. of Sec. 27-T4N-R5W

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

DATUM: NAD-27
 LAT: 34°47'01.7"N
 LONG: 97°42'24.6"W
 LAT: 34.783809387° N
 LONG: 97.706826010° W
 STATE PLANE
 COORDINATES: (US Feet)
 ZONE: OK SOUTH
 X: 2088033
 Y: 527974

Revision C Date of Drawing: Oct. 05, 2016
 Invoice # 254426A Date Staked: Dec. 11, 2015 AC

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

