

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

API NUMBER: 011 23723

Approval Date: 01/12/2017
Expiration Date: 07/12/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 33 Twp: 16N Rge: 10W County: BLAINE
SPOT LOCATION: SE SW SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 200 680

Lease Name: KRAKEN 33_28-16N-10W Well No: 1HX Well will be 200 feet from nearest unit or lease boundary.

Operator Name: DEVON ENERGY PRODUCTION CO LP Telephone: 4052353611; 4052353 OTC/OCC Number: 20751 0

DEVON ENERGY PRODUCTION CO LP
333 W SHERIDAN AVE
OKLAHOMA CITY, OK 73102-5010

LOOSEN FAMILY LIMITED PARTNERSHIP
806 CHATEAU COURT
KINGFISHER OK 73750

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	9238	6	
2	WOODFORD	10658	7	
3	HUNTON	10758	8	
4			9	
5			10	

Spacing Orders: 645371

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201605317
201605318
201605707

Special Orders:

Total Depth: 20496

Ground Elevation: 1285

Surface Casing: 1999

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

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: 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

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

PERMIT NO: 16-31851

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 28 Twp 16N Rge 10W County BLAINE

Spot Location of End Point: NW NE NE NE

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 380

Depth of Deviation: 9890

Radius of Turn: 477

Direction: 2

Total Length: 9857

Measured Total Depth: 20496

True Vertical Depth: 10758

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

Notes:

Category

Description

DEEP SURFACE CASING

12/28/2016 - 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

12/28/2016 - 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

12/28/2016 - 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

12/28/2016 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

PENDING CD - 201605317

12/29/2016 - G75 - (640)(HOR) 28-16N-10W
EXT 645367 MSSP, WDFD, HNTN
POE TO BHL (MSSP, HNTN) NCT 660' FB
POE TO BHL (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL
(COEXIST SP. ORDER # 167297 MCSTR, HNTN & ORDER # 555820 MSSLM)
REC 1-6-2017 (NORRIS)

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
PENDING CD - 201605318	12/29/2016 - G75 - (I.O.) 33 & 28-16N-10W EST MULTIUNIT HORIZONTAL WELL X645371 MSSP, WDFD, HNTN 33-16N-10W X201605317 MSSP, WDFD, HNTN 28-16N-10W (WDFD, HNTN ASSOCIATED COMMON SOURCES OF SUPPLY TO MSSP) 50% 33-16N-10W 50% 28-16N-10W DEVON ENERGY PROD. CO., L.P. REC 1-6-2017 (NORRIS)
PENDING CD - 201605707	12/29/2016 - G75 - (I.O.) 33 & 28-16N-10W X645371 MSSP, WDFD, HNTN 33-16N-10W X201605317 MSSP, WDFD, HNTN 28-16N-10W X165:10-3-28(C)(2)(B) MAY BE CLOSER THAN 600' TO AN EXISTING WELL BORE COMPL. INT. (33-16N-10W) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL COMPL. INT. (28-16N-10W) NCT 0' FSL, NCT 165' FNL, NCT 330' FEL DEVON ENERGY PROD. CO., L.P. REC 1-6-2017 (NORRIS)
SPACING - 645371	12/29/2016 - G75 - (640)(HOR) 33-16N-10W EST MSSP EXT 588245 WDFD, HNTN POE TO BHL (MSSP, HNTN) NCT 660' FB POE TO BHL (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL (COEXIST SP. ORDER 161625 MCSTR & ORDER # 506104 HNTN)

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Office of the Conservation Division as to when Surface Casing will be run.