

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

API NUMBER: 011 23742

Approval Date: 02/10/2017

Expiration Date: 08/10/2017

Directional Hole

Stratigraphic Test

PERMIT TO DRILL

WELL LOCATION: Sec: 34 Twp: 15N Rge: 11W

County: BLAINE

SPOT LOCATION: ☐ SW ☐ SE ☐ SW ☐ SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 265 730

Lease Name: PORKCHOP 34-15N-11W

Well No: 1H

Well will be 265 feet from nearest unit or lease boundary.

Operator Name: PALOMA OPERATING CO INC

Telephone: 7136508509

OTC/OCC Number: 23932 0

PALOMA OPERATING CO INC
1100 LOUISIANA ST STE 5100
HOUSTON, TX 77002

LOU ANNA DUNN, TRUSTEE
6612 COVE HOLLOW ROAD
OKLAHOMA CITY OK 73132

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

	Name	Depth	Name	Depth
1	MISSISSIPPI	10598	6	
2	WOODFORD	12322	7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 13020

Ground Elevation: 1445

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 80

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: 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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

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

PERMIT NO: 17-32070

H. SEE MEMO

DIRECTIONAL HOLE 1

Sec 34 Twp 15N Rge 11W County BLAINE

Spot Location of End Point: SE SW SW SW

Feet From: SOUTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 400

Measured Total Depth: 13020

True Vertical Depth: 13000

End Point Location from Lease,

Unit, or Property Line: 50

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

Notes:

Category

Description

DEEP SURFACE CASING

1/26/2017 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

INTERMEDIATE CASING

1/26/2017 - 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

1/26/2017 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - NORTH CANADIAN RIVER); PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

SPACING

2/7/2017 - G75 - NA-STRATIGRAPHIC TEST

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.

011 23742 PORKCHOP 34-15N-11W 1H