

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

API NUMBER: 011 23696 A

Approval Date: 08/14/2017  
Expiration Date: 02/14/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 16N Rge: 12W County: BLAINE  
SPOT LOCATION:  NW  SW  SW  SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 508 243

Lease Name: C-FARMS 23-16N-12W Well No: 1H Well will be 243 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

C FARMS, INC.  
ROUTE 2, BOX 55  
GEARY OK 73040

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	9742	6	
2	WOODFORD	11407	7	
3	HUNTON	11487	8	
4			9	
5			10	

Spacing Orders: 585991 Location Exception Orders: 659454 Increased Density Orders: 659454

Pending CD Numbers: Special Orders:

Total Depth: 15206 Ground Elevation: 1480 **Surface Casing: 1999** Depth to base of Treatable Water-Bearing FM: 130

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 16-31946

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

HORIZONTAL HOLE 1

Sec 23 Twp 16N Rge 12W County BLAINE

Spot Location of End Point: NE NW NW NW

Feet From: NORTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 380

Depth of Deviation: 10212

Radius of Turn: 478

Direction: 2

Total Length: 4243

Measured Total Depth: 15206

True Vertical Depth: 11487

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

Notes:

Category

Description

DEEP SURFACE CASING

12/19/2016 - 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

8/14/2017 - G58 - OCC 165:10-3-10 REQUIRES:

1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;

2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: [HTTP://WWW.OCCWEB.COM/OG/OGFORMS.HTML](http://www.occeweb.com/og/ogforms.html); AND,

3)THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK [HTTP://FRACFOCUS.ORG/](http://fracfocus.org/)

INCREASED DENSITY - 659454

12/20/2016 - G60 - 23-16N-12W  
X585991 MSSP  
2 WELLS  
DEVON ENERGY PRODUCTION CO. LP.  
12/30/16

INTERMEDIATE CASING

12/19/2016 - 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

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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.

Category	Description
LOCATION EXCEPTION - 661142	12/20/2016 - G60 - (I.O.) 23-16N-12W X585991 MSSP, WDFD, HNTN COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FWL NO OP. NAMED 2/17/17
MEMO	12/19/2016 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 585991	12/20/2016 - G60 - (640) 23-16N-21W VAC 221573 CSTR EXT 205852 HNTN EST MSSP, WDFD

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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.