

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

API NUMBER: 073 25878

Approval Date: 01/02/2018

Expiration Date: 07/02/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 36 Twp: 16N Rge: 8W

County: KINGFISHER

SPOT LOCATION: SE SE SW SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 240 1120

Lease Name: STEVEO

Well No: 3H-3625X

Well will be 240 feet from nearest unit or lease boundary.

Operator Name: CIMAREX ENERGY CO

Telephone: 9185851100

OTC/OCC Number: 21194 0

CIMAREX ENERGY CO
202 S CHEYENNE AVE STE 1000
TULSA, OK 74103-3001

WILLIAM MARK MCCULLY
11457 E. 830 ROAD
KINGFISHER OK 73750

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

Name	Depth	Name	Depth
1 MISSISSIPPI SOLID	9300	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 256313
264755

Location Exception Orders:

Increased Density Orders: 671532
671383

Pending CD Numbers: 201705671
201705682

Special Orders:

Total Depth: 18657

Ground Elevation: 1092

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 280

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: 10000 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: CEDAR HILL

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 17-32827

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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.

HORIZONTAL HOLE 1

Sec 25 Twp 16N Rge 8W County KINGFISHER

Spot Location of End Point: N2 NW NE NW

Feet From: NORTH 1/4 Section Line: 150

Feet From: WEST 1/4 Section Line: 1650

Depth of Deviation: 8273

Radius of Turn: 478

Direction: 5

Total Length: 9634

Measured Total Depth: 18657

True Vertical Depth: 9325

End Point Location from Lease,
Unit, or Property Line: 150

Notes:

Category	Description
DEEP SURFACE CASING	12/29/2017 - G58 - 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	12/29/2017 - 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: 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: FRACFOCUS.ORG
INCREASED DENSITY - 671383	12/29/2017 - G58 - 25-16N-8W X264755 MSSSD 7 WELLS CIMAREX ENERGY CO. 12/21/2017
INCREASED DENSITY - 671532	12/29/2017 - G58 - 36-16N-8W X256313 MSSSD 7 WELLS CIMAREX ENERGY CO. 12/28/2017
INTERMEDIATE CASING	12/29/2017 - G58 - 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
PENDING CD - 201705671	12/29/2017 - G58 - (I.O.) 25 & 36-16N-8W X264755 MSSSD 25-16N-8W X256313 MSSSD 36-16N-8W COMPL. INT. (36-16N-8W) NCT 150 FSL, NCT 0 FNL, NCT 370 FWL COMPL. INT. (25-16N-8W) NCT 0 FSL, NCT 150 FNL, NCT 370 FWL NO OP. NAMED REC 9/19/2017 (M. PORTER)
PENDING CD - 201705682	12/29/2017 - G58 - (I.O.) 25 & 36-16N-8W EST MULTIUNIT HORIZONTAL WELL X264755 MSSSD 25-16N-8W X256313 MSSSD 36-16N-8W 50% 25-16N-8W 50% 36-16N-8W NO OP. NAMED REC 9/19/2017 (M. 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.

073 25878 STEVEO 3H-3625X

Category	Description
SPACING - 256313	12/29/2017 - G58 - (640) 36-16N-8W EXT OTHERS EXT 94302/246203 MSSSD, OTHER
SPACING - 264755	12/29/2017 - G58 - (640) 25-16N-8W EXT 256313 MSSSD, OTHERS

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