

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

API NUMBER: 011 23958 A

Approval Date: 03/19/2018
Expiration Date: 09/19/2018

Horizontal Hole Oil & Gas

Amend reason: AMENDING BOTTOM HOLE LOCATION SEC-TWN-RNG

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 03 Twp: 15N Rge: 11W County: BLAINE
SPOT LOCATION: NW SE SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 395 1812

Lease Name: HR POTTER 1511 Well No: 7-3-34MXH Well will be 395 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

TIMOTHY C. PIERCE
1520 E 4TH STREET
WATONGA OK 73772

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

Name	Depth	Name	Depth
1 MISSISSIPPI	10000	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 658269
158951

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201800693
201800703
201800688
201800691
201800676

Special Orders:

Total Depth: 21682

Ground Elevation: 1495

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 70

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

E. Haul to Commercial pit facility: Sec. 31 Twn. 12N Rng. 8W Cnty. 17 Order No: 587498

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 34 Twp 16N Rge 11W County BLAINE

Spot Location of End Point: NE NW NW NE

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 2200

Depth of Deviation: 10414

Radius of Turn: 573

Direction: 357

Total Length: 10367

Measured Total Depth: 21682

True Vertical Depth: 11878

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

Notes:

Category

Description

DEEP SURFACE CASING

3/9/2018 - 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

3/9/2018 - G71 - 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

INTERMEDIATE CASING

3/9/2018 - 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

3/9/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

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.

Category	Description
PENDING - 201800676	3/13/2018 - G57 - (I.O.) 3-15N-11W & 34-16N-11W EST MULTIUNIT HORIZONTAL WELL X658269 MISS 3-15N-11W X158951 MISS 34-16N-11W 50% 3-15N-11W 50% 34-16N-11W NO OP. NAMED REC 2-16-2018 (P. PORTER)
PENDING - 201800693	3/13/2018 - G57 - (I.O.) 3-15N-11W & 34-16N-11W X658269 3-15N-11W X158951 34-16N-11W COMPL. INT. (3-15N-11W) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL & FWL COMPL. INT. (34-16N-11W) NCT 0' FSL, NCT 165' FNL, NCT 330' FEL & FWL NO OP. NAMED REC 2-16-2018 (P. PORTER)
PENDING CD - 201800688	3/13/2018 - G57 - (I.O.) 34-16N-11W X158951 MISS 9 WELLS NO OP. NAMED REC 2-16-2018 (P. PORTER)
PENDING CD - 201800691	3/13/2018 - G57 - (I.O.) 3-15N-11W & 34-16N-11W X165:10-3-28(C)(2)(B) MISS (HR POTTER 7-3-34MXH) MAY BE CLOSER THAN 600' TO AN EXISTING WELLBORE NO OP. NAMED REC 2-16-2018 (P. PORTER)
PENDING CD - 201800703	3/13/2018 - G57 - (I.O.) 3-15N-11W X658269 MISS 9 WELLS NO OP. NAMED REC 2-16-2018 (M. PORTER)
SPACING - 158951	3/13/2018 - G57 - (640) 34-16N-11W EXT OTHER EST MISS, OTHER
SPACING - 658269	3/13/2018 - G57 - (640) 3-15N-11W EXT 158951 MISS EXT OTHERS

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