

OTC/OCC NUMBER: 15136-0 API NUMBER: 141-20316 APPROVAL DATE: 11/21/90  
 NOTICE OF INTENTION TO: DRILL  
 TYPE OF DRILLING OPERATION: STRAIGHT HOLE SEC: 4 TWP: 05S RGE: 14W  
 COUNTY: TILLMAN SPOT LOCATION: SE4 NW4 SW4 SW4  
 FEET FROM: SOUTH 1/4 SECTION LINE 836 FEET FROM: WEST 1/4 SECTION LINE 408  
 FEET FROM THE NEAREST LEASE LINE 165  
 LEASE NAME STEWART-WELFARE WELL NO: 1  
 OPERATOR NAME: HELTON OIL COMPANY

SURFACE OWNER ADDRESS  
 MARION L. STEWART  
 3849 S. DRIVE  
 FT. WORTH TX 76109

OPERATOR RETURN ADDRESS  
 HELTON OIL COMPANY  
 713 LAMAR ST.  
 WICHITA FALLS TX 76301

OPERATION TO BEGIN: 00/00/00  
 FRESH WATER SUPPLY WELL DRILLED: NO SURFACE WATER USED TO DRILL: YES  
 FORMATION CODES, NAMES, DEPTHS, (PERMIT VALID FOR LISTED FORMATIONS ONLY)

406THMS	THOMAS	/SD/	1445
406MGRL	MEGARGEL	/LM/	1545
406GNSG	GUNSIGHT		1645

SPACING ORDER NUMBERS: 2500  
 TOTAL DEPTH: 1750  
 GROUND ELEVATION: 1005 DEPTH TO BASE OF TREATABLE WATER-BEARING FM: 36  
 SURFACE CASING: 86

PIT INFORMATION:  
 TYPE OF PIT SYSTEM: ON-SITE  
 TYPE OF MUD SYSTEM: WATER BASED  
 EXPECTED CHLORIDE CONTENT OF PIT: MAXIMUM 2200 PPM; AVERAGE 1200 PPM  
 DETERMINATION OF HYDROLOGICALLY SENSITIVE AREA NOT REQUIRED  
 CATEGORY OF PIT(S): 2  
 LINER NOT REQUIRED FOR CATEGORY: 2 PIT(S)

APPROVED METHOD FOR DISPOSAL OF DRILLING FLUIDS:  
 EVAPORATION/DEWATER AND BACKFILLING OF RESERVE PIT

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 OCC-OGR 3-204.