API NUMBER: 011 24045

Oil & Gas

Horizontal Hole

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

Approval Date: 07/19/2018
Expiration Date: 01/19/2019

PERMIT TO DRILL

WELL LOCATION:	Sec:	27	Twp:	17N	Rge:	10W	County:	BLAINE
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SPOT LOCATION: NW NE NW NE FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: **260 1695**

Lease Name: OLIVE JUNE 1710 Well No: 3-22-15MXH Well will be 260 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

COLETA M. STARK 24175 E. 996 ROAD

WEATHERFORD OK 73096

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

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

 Name
 Depth
 Name
 Depth

 1
 MERAMEC
 9093
 6

 2
 7
 7

10

3 4

Spacing Orders: 649535 Location Exception Orders: Increased Density Orders:

Pending CD Numbers: 201803760 Special Orders:

Total Depth: 19874 Ground Elevation: 1224 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 60

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: FLOWERPOT

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C
Pit Location is NON HSA

Pit Location Formation: FLOWERPOT

HORIZONTAL HOLE 1

Sec. 15 Twp 17N Rge 10W County **BLAINE** Spot Location of End Point: NW NF NW NF Feet From: NORTH 1/4 Section Line: 50 EAST Feet From: 1/4 Section Line: 1715

Depth of Deviation: 8760 Radius of Turn: 477

Direction: 15

Total Length: 10364

Measured Total Depth: 19874

True Vertical Depth: 9093

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

Notes:

Category Description

DEEP SURFACE CASING 7/11/2018 - 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 7/11/2018 - 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 7/11/2018 - 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 7/11/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 -

OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

Category Description

PENDING CD - 201803754 7/18/2018 - G57 - 15-17N-10W

X649535 MRMC 3 WELLS

NO OP. NAMED REC 6-4-2018 (M. PORTER)

PENDING CD - 201803755 7/18/2018 - G57 - 22-17N-10W

X649535 MRMC 3 WELLS NO OP. NAMED

REC 6-4-2018 (M. PORTER)

PENDING CD - 201803759 7/18/2018 - G57 - (I.O.) 22 & 15-17N-10W

EST MULTIUNIT HORIZONTAL WELL

X649535 MRMC 50% 22-17N-10W 50% 15-17N-10W NO OP. NAMED

REC 6-4-2018 (M. PORTER)

PENDING CD - 201803760 7/18/2018 - G57 - (I.O.) 22 & 15-17N-10W

X649535 MRMC

COMPL. INT. (22-17N-10W) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL COMPL. INT. (15-17N-10W) NCT 0' FSL, NCT 165' FNL, NCT 330' FEL

NO OP. NAMÈD

REC 6-4-2018 (M. PORTER)

PENDING CD - 201803761 7/18/2018 - G57 - (I.O.) 22 & 15-17N-10W

X649535 MRMC

X165:10-3-28(C)(2)(B) MRMC (OLIVE JUNE 1710 3-22-15MXH) MAY BE CLOSER THAN 600' FROM

HAFFNER NO. 1 & KOETTER NO. 1-22

NO OP. NAMED

REC 6-4-2018 (M. OPORTER)

SPACING - 649535 7/18/2018 - G57 - (640)(HOR) 15 & 22-17N-10W

EST MRMC, OTHÈR POE TO BHL NCT 660' FB

(COEXIST W/ SP. ORDER 95567 MRMC)

API: 011 24045

