

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

API NUMBER: 011 23892

Approval Date: 12/05/2017
Expiration Date: 06/05/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 28 Twp: 16N Rge: 11W County: BLAINE
SPOT LOCATION: NW SE SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 361 334

Lease Name: PENDERGRAFT BIA 1611 Well No: 1-28MH Well will be 334 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

AUSTIN LOYD LEE & SHELLY R PENDERGRAFT
21984 N 2730TH RD
OMEGA OK 73764

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	9800	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 663305

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201707487

Special Orders:

Total Depth: 14803 Ground Elevation: 1531 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 80

Under Federal Jurisdiction: Yes 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: 5000 Average: 3000

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

Is depth to top of ground water greater than 10ft below base of pit? Y

H. SEE MEMO

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

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 28 Twp 16N Rge 11W County BLAINE

Spot Location of End Point: N2 NE NE NE

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 330

Depth of Deviation: 9338

Radius of Turn: 462

Direction: 3

Total Length: 4739

Measured Total Depth: 14803

True Vertical Depth: 10061

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

Notes:

Category

Description

DEEP SURFACE CASING

11/30/2017 - 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

11/30/2017 - 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

11/30/2017 - 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

11/30/2017 - 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.

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.

011 23892 PENDERGRAFT BIA 1611 1-28MH

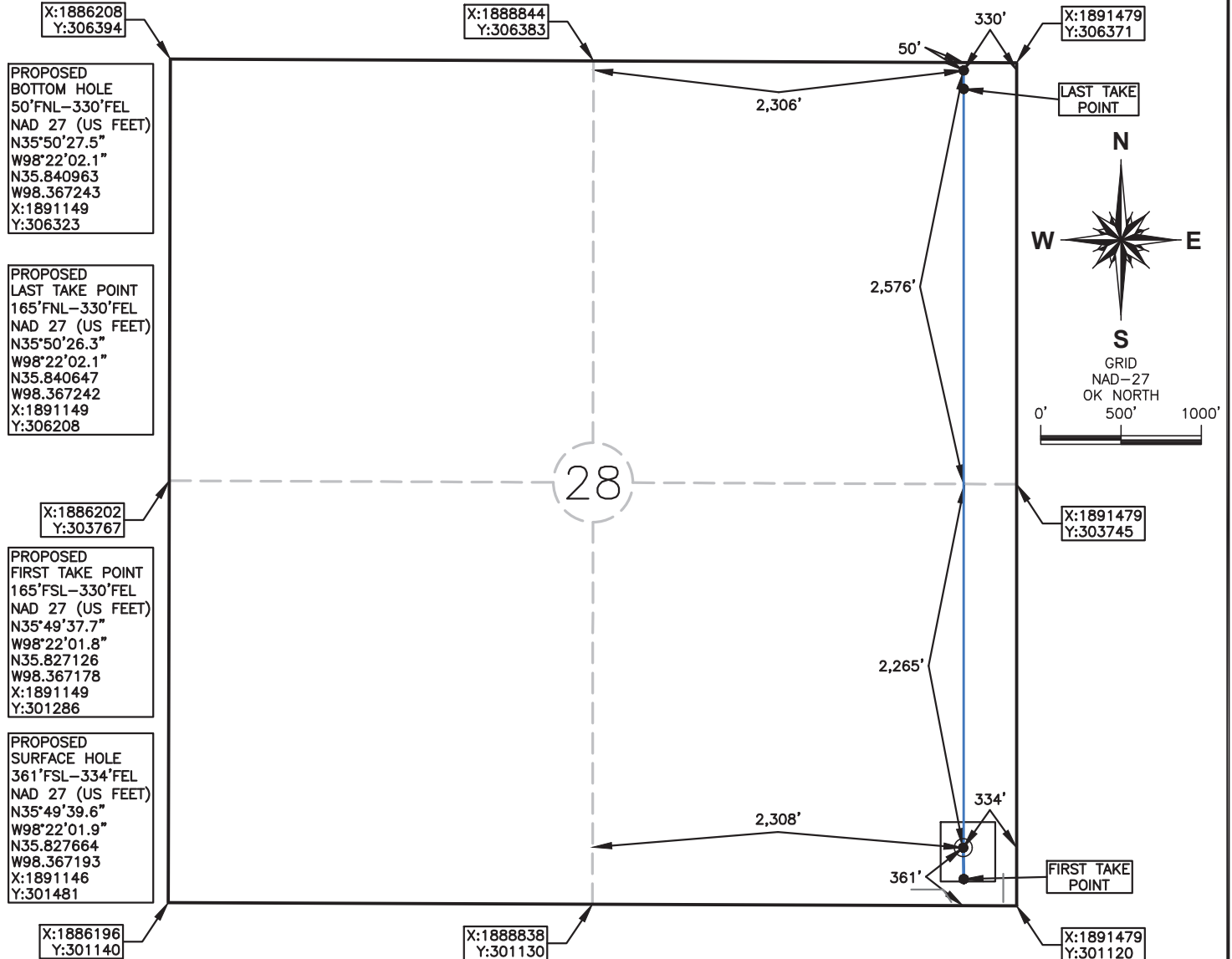
Category	Description
PENDING CD - 201707487	12/5/2017 - G60 - (I.O.) 28-16N-11W X663305 MSSP COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FEL NO OP. NAMED REC. 11/27/17 (P. PORTER
SPACING - 663305	12/5/2017 - G60 - (640) 28-16N-11W EXT 655950 MSSP EXT OTHER

3501123892



BLAINE COUNTY, OKLAHOMA

361' FSL - 334' FEL SECTION 28 TOWNSHIP 16N RANGE 11W I.M.



OPERATOR: MARATHON OIL COMPANY

LEASE NAME: PENDERGRAFT BIA 1611

WELL NO.: 1-28MH

TOPOGRAPHY & VEGETATION: CULTIVATED FIELD

ELEVATION:

1,534' GR. AT STAKE NAVD88

1,531' GR. AT STAKE NGVD29

GOOD DRILL SITE? YES REFERENCE STAKES OR ALTERNATE LOCATION STAKES SET NONE

BEST ACCESS TO LOCATION: E0820 RD. TO THE SOUTH

DISTANCE AND DIRECTION FROM HWY JCT OR TOWN BEGINNING AT THE INTERSECTION OF US HWY 270 AND STATE HWY 3 IN WATONGA, OK DRIVE SOUTH 1 MILE TO INTERSECTION WITH E0820 RD. THEN DRIVE EAST FOR APPROX. 2.9 MILES. THE SITE IS IN THE FIR=ELD ON THE NORTH SIDE OF THE ROAD.

DATUM: NAD 27
 LAT: 35° 49' 39.6" N
 LONG: 98° 22' 01.9" W
 LAT: 35.827664° N
 LONG: 98.367193° W
 STATE PLANE
 COORDINATES: (US FEET)
 ZONE: OK NORTH
 X: 1891146
 Y: 301481

This information was gathered with a GPS receiver with ±1 foot Horiz/Vert accuracy.

JOB NO.: 17002556

DATE OF DRAWING: 9/25/17

DATE STAKED: 9/20/17

CERTIFICATE:

I, DAVID L. ANDERSON an Oklahoma Licensed Land Surveyor and an authorized agent of Atwell, LLC, do hereby certify to the information shown herein

David L. Anderson

09/29/17

Oklahoma Lic. No. 1927

