API NUMBER: 011 23927

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: 01/24/2018 07/24/2018 **Expiration Date**

PERMIT TO DRILL

WELL LOCATION:	Sec:	03	Twp:	16N	Rge:	10W	County:	BLAINE
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FEET FROM QUARTER: SPOT LOCATION: NW NE IINW NE NORTH EAST

SECTION LINES: 1753

Lease Name: IRVEN JOHN 1710 Well No: 3-34-27MXH Well will be 234 feet from nearest unit or lease boundary.

MARATHON OIL COMPANY Operator OTC/OCC Number: Telephone: 7132962003 1363 0 Name:

MARATHON OIL COMPANY 5555 SAN FELIPE ST

HOUSTON. TX 77056-2701 PALMER S. HAFFNER & MARCIA DIANE JOHNSON

8317 NW 71ST STREET

OKLAHOMA CITY OK 73132

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

Name Depth Name Depth MISSISSIPPIAN 1 9347 6 2 7 3 8 4 9 10 648021 Spacing Orders: Location Exception Orders: Increased Density Orders: 648022

Pending CD Numbers: 201800199 Special Orders:

Total Depth: 20082 Ground Elevation: 1243 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 40

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?

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

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

H. SEE MEMO

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. 27 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: 8987 Radius of Turn: 477 Direction: 355

Total Length: 10346

Measured Total Depth: 20082

True Vertical Depth: 10116

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

Notes:

Category Description

DEEP SURFACE CASING 1/23/2018 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS

OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR

SURFACE CASING

HYDRAULIC FRACTURING 1/23/2018 - 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 1/23/2018 - 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 1/23/2018 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 -

OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

Category Description

PENDING CD - 201800199 1/24/2018 - G75 - (E.O.) 34 & 27-17N-10W

X648022 MSSP 34-17N-10W X648021 MSSP 27-17N-10W

COMPL. INT. (34-17N-10W) NCT 165 FSL, NCT 0 FNL, NCT 1000 FEL COMPL. INT. (27-17N-10W) NCT 0 FSL, NCT 165 FNL, NCT 1000 FEL

MARATHON OIL CO. REC 1-16-2018 (M. PORTER)

PENDING CD - 201800201 1/24/2018 - G75 - (E.O.) 27-17N-10W

X165:10-3-28(C)(2)(B) MSSP (IRVEN JOHN 4-34-27MXH) **
MAY BE CLOSER THAN 600' TO HILDA KREISER 1-27

MARATHON OIL CO. REC 1-16-2018 (M. PORTER)

** S/B IRVEN JOHN 1710 3-34-27MXH; TO BE CORRECTED AT MERIT HEARING ON 1-30-2018

PER ATTORNEY FOR OPERATOR

PENDING CD - 201800202 1/24/2018 - G75 - (E.O.) 27-17N-10W

X648021 MSSP 3 WELLS

MARATHON OIL CO.

REC 1-16-2018 (M. PORTER)

PENDING CD - 201800204 1/24/2018 - G75 - (E.O.) 34-17N-10W

X648022 MSSP 3 WELLS

MARATHON OIL CO. REC 1-16-2018 (M. PORTER)

PENDING CD - 201800206 1/24/2018 - G75 - (E.O.) 34 & 27-17N-10W

EST MULTIUNIT HORIZONTAL WELL

X648022 MSSP 34-17N-10W X648021 MSSP 27-17N-10W

50% 34-17N-10W 50% 27-17N-10W MARATHON OIL CO.

REC 1-16-2018 (M. PORTER)

SPACING - 648021 1/24/2018 - G75 - (640)(HOR) 27-17N-10W

VAC 95567 CRLM, OSGE EST MSSP, OTHER POE TO BHL NCT 660' FB

(COEXIST SP. ORDER # 95567 MRMC)

SPACING - 648022 1/24/2018 - G75 - (640)(HOR) 34-17N-10W

VAC 95567 CRLM, MRMC, OSGE

EST MSSP, OTHER POE TO BHL NCT 660' FB

DATE REV# DESC 1 12/14/17 RENUMBERED WELL API 011-23927 **BLAINE** COUNTY, OKLAHOMA 234' FNL - 1,753' FEL SECTION _ 3 TOWNSHIP 16N RANGE 10W I.M. X:1924759 Y:337776 X:1922110 X:1927409 1.715' 934 PROPOSED Y:337791 Y:337761 BOTTOM HOLE 50'FNL-1,715'FEL LAST TAKE NAD 27 (US FEET) N35'55'39.1" POINT N 2.593 w98°15'03.5" N35.927522 W98.250971 X:1925694 :337721 X:1922104 X:1927408 Y:335118 Y:335150 PROPOSED LAST TAKE POINT S 165'FNL-1,715'FEL NAD 27 (US FEET) **GRID** 2.642 NAD-27 N35°55'37े.9' OK NORTH W98 15'03.5" 2000 N35.927207 W98.250970 1000 X:1924754 X:1925694 Y:332492 Y:337606 X:1922099 X:1927408 Y:332474 Y:332510 PROPOSED FIRST TAKE POINT 165'FSL-1,715'FEL NAD 27 (US FEET) N35°53'56.8" 2,639 W98°15'03.5" N35.899101 W98.250960 X:1925670 Y:327375 X:1922111 X:1927396 PROPOSED Y:329836 SURFACE HOLE 234'FNL-1,753'FEL NAD 27 (US FEET) N35*53'52.8" FIRST TAKE 2.471 POINT W98°14'53.7' N35.897996 X:1927384 X:1925589 W98.248248 Y:327198 X:1922123 Y:327211 X:1926472 Y:327236 Y:326971 T17N-R10W SECTION 34 SECTION 3 T16N-R10W 234 X:1922960 X:1928226 Y:327230 X:1924753 Y:327192 883' 1,753 Y:327217 OPERATOR: MARATHON OIL COMPANY **ELEVATION:** 1,245' GR. AT STAKE NAVD88 LEASE NAME: IRVEN JOHN 1710 WELL NO.: 3-34-27MXH 1,243' GR. AT STAKE NGVD29 TOPOGRAPHY & VEGETATION: CULTIVATED FIELD REFERENCE STAKES OR ALTERNATE LOCATION STAKES SET NONE GOOD DRILL SITE? YES BEST ACCESS TO LOCATION: E0770 RD TO THE NORTH DISTANCE AND DIRECTION FROM HWY JCT OR TOWN BEGINNING AT THE INTERSECTION OF US HWY 281 AND OK HWY 3 IN WATONGA, OK DRIVE EAST APPROX. 8.9 MILES. THEN TAKE N2660 RD NORTH FOR APPROX. 4 MILES. THEN DRIVE EAST ON E0770 RD FOR APPROX. 6 MILES. THE SITE IS IN THE FIELD ON THE SOUTH SIDE OF THE ROAD. SSIONAL COLUMN SESSIONAL DATE OF DRAWING: 11/6/17 DATUM: NAD 27 17003088 DATE STAKED:_11/2/17 LAT: 35° 53' 52.8" N s receiver t accuracy. JOB NO.: _ LONG: 98° 14' 53.7" W LAT: 35.897996° N CERTIFICATE: **DAVID I** gathered with a GPS with ±1 foot Horiz/Vert LONG: 98.248248° W DAVID L. ANDERSON an Oklahoma Licensed Land STATE PLANE Surveyor and an authorized agent of Atwell, LLC, do COORDINATES: (US FEET) hereby certify to the information shown herein ZONE: OK NORTH 12/15/17 X: 1926472 Y: 326971 Oklahoma Lic. No. <u>1927</u>