API NUMBER: 137 27525

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: 01/18/2018
Expiration Date: 07/18/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 10 Twp: 2N Rge: 4W County: STEPHENS

SPOT LOCATION: NW NE NW FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: **270 1569**

Lease Name: 3R 0204 Well No: 7-3-34WXH Well will be 270 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

1

HOUSTON, TX 77056-2701

CONTINENTAL RESOURCES, INC.

20 N. BROADWAY

OKLAHOMA CITY OK 73102

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

NameDepthNameDepthWOODFORD1405467

2 7 3 8 4 9 5

Spacing Orders: 619032 Location Exception Orders: Increased Density Orders: 599919

Pending CD Numbers: 201704944 Special Orders:

Total Depth: 24691 Ground Elevation: 1191 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 400

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 D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 17-32855
Chlorides Max: 5000 Average: 3000 H. SEE MEMO

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

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 BED AQUIFER
Pit Location Formation: DUNCAN

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 BED AQUIFER
Pit Location Formation: DUNCAN

HORIZONTAL HOLE 1

Sec 34 Twp 3N Rge 4W County **GARVIN** Spot Location of End Point: ΝE NE NW NW Feet From: NORTH 1/4 Section Line: 50 Feet From: WEST 1/4 Section Line: 1110

Depth of Deviation: 13587 Radius of Turn: 477

Direction: 355

Total Length: 10355

Measured Total Depth: 24691
True Vertical Depth: 14688
End Point Location from Lease,
Unit, or Property Line: 50

Notes:

MEMO

Category Description

DEEP SURFACE CASING 1/17/2018 - 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 1/17/2018 - 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

1/17/2018 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 -

OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

PENDING CD - 201704924 1/17/2018 - G75 - 3-2N-4W

X619032 WDFD 8 WFLLS

MARATHON OIL CO. REC 11-2-2017 (THOMAS) Category Description

PENDING CD - 201704926 1/17/2018 - G75 - (I.O.) 3-2N-4W

X165:10-3-28(C)(2)(B) WDFD (3R 0204 7-3-34WXH)

MAY BE CLOSER THAN 600' TO EXISTING/PROPOSED WELLS

MARATHON OIL CO. REC 11-2-2017 (THOMAS)

PENDING CD - 201704927 1/17/2018 - G75 - 34-3N-4W

X599919 WDFD 8 WELLS

MARATHON OIL CO. REC 11-2-2017 (THOMAS)

PENDING CD - 201704929 1/17/2018 - G75 - (I.O.) 34-3N-4W

X165:10-3-28(C)(2)(B) WDFD (3R 0204 7-3-34WXH)

MAY BE CLOSÉR THAN 600' TO EXISTING/PROPOSED WELLS

MARATHON OIL CO. REC 11-2-2017 (THOMAS)

PENDING CD - 201704943 1/17/2018 - G75 - (I.O.) 3-2N-4W & 34-3N-4W

EST MULTIUNIT HORIZONTAL WELL

X619032 WDFD 3-2N-4W X599919 WDFD 34-3N-4W

50% 3-2N-4W 50% 34-3N-4W MARATHON OIL CO. REC 11-2-2017 (THOMAS)

PENDING CD - 201704944 1/17/2018 - G75 - (I.O.) 3-2N-4W & 34-3N-4W

X619032 WDFD 3-2N-4W X599919 WDFD 34-3N-4W

COMPL. INT. (3-2N-4W) NCT 150' FSL, NCT 0' FNL, NCT 330' FWL COMPL. INT. (34-3N-4W) NCT 0' FSL, NCT 150' FNL, NCT 330' FWL

MARATHON OIL CO. REC 11-2-2017 (THOMAS)

SPACING - 599919 1/17/2018 - G75 - (640) 34-3N-4W

EXT 360755 WDFD, OTHERS

SPACING - 619032 1/17/2018 - G75 - (640)(HOR) 3-2N-4W

EXT 603571 WDFD POE TO BHL NLT 330' FB

(SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS; COEXIST WITH

PRODUCING NON-HORIZONTAL SPACING UNITS)