

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

API NUMBER: 043 23567

Approval Date: 11/08/2017

Expiration Date: 05/08/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 19N Rge: 16W

County: DEWEY

SPOT LOCATION: ☐ NE ☐ SW ☐ SW ☐ SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 520 410

Lease Name: STOTTS 1917

Well No: 1-360H

Well will be 410 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

TAMMY JO NINE STOTTS, LLC
ROUTE 2, BOX 98
SEILING OK 73663

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

Name	Depth	Name	Depth
1 MERAMEC-OSAGE	10700	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 173608

Location Exception Orders: 669305

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 16796

Ground Elevation: 1820

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 180

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

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 BED AQUIFER

Pit Location Formation: RUSH SPRINGS

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: RUSH SPRINGS

HORIZONTAL HOLE 1

Sec 36 Twp 19N Rge 17W County DEWEY

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: 10620

Radius of Turn: 750

Direction: 351

Total Length: 4998

Measured Total Depth: 16796

True Vertical Depth: 12089

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

Notes:

Category

Description

DEEP SURFACE CASING

10/16/2017 - 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

10/16/2017 - 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

10/16/2017 - 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

LOCATION EXCEPTION - 669305

11/3/2017 - G58 - (I.O.) 36-19N-17W
X173608 MRMOG
COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FEL
MARATHON OIL COMAPNY
10/23/2017

This permit does not address the right of entry or settlement of surface damages.

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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.

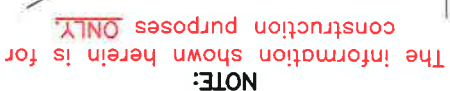
043 23567 STOTTS 1917 1-36OH

Category	Description
MEMO	10/16/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 173608	11/3/2017 - G58 - (640) 36-19N-17W VAC 139663 MRMOG, OTHERS EST MRMOG, OTHERS

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

County Oklahoma

DEWEY



NOTE:



GRID
NAD-27
OK NORTH
US Feet



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

DATUM: NAD-27
LAT: 36°04'24.9"N
LONG: 98°57'15.9"W
LAT: 36.073572622°N
LONG: 98.954404678°W
STATE PLANE
COORDINATES: (US Feet)
ZONE: OK NORTH
X: 1717951
Y: 392176

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Y: 392176

Operator: MARATHON OIL COMPANY
Lease Name: STOTTS 1917

Well No.: 1-360H

ELEVATION:
1820' Gr. at St

Topography & Vegetation Loc. fell in rough grass pasture, existing pipeline $\pm 340'$ SW.

Good Drill Site? Yes

Reference Stakes or Alternate Location
Stakes Set None

From East off lease road.

Best Accessibility to Location From East off lease road.

Distance & Direction From Seiling, OK, go ± 2.0 mi. West on St. Hwy. 51, then ± 3.5 mi. South to lease road entering from Hwy jct or Town

Section 30 to the East, following lease road South into Sec. 31-T19N-R16W.

Date Drawn:	<u>Jul. 18, 2017</u>
Date Staked:	<u>Jul. 14, 2017</u>
Invoice #	<u>278933</u>

AC

CERTIFICATE:

I, Thomas L. Howell an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein

Oklahoma Lic. No. 1433

