

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

API NUMBER: 011 23890

Approval Date: 11/29/2017

Expiration Date: 05/29/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 21 Twp: 16N Rge: 13W

County: BLAINE

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 250 330

Lease Name: MASQUELIER 1613

Well No: 1-21MH

Well will be 250 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

PRESTON & CANDY MASQUELIER
P.O. BOX 334
FAY OK 73646

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	10271	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 669316

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201705197

Special Orders:

Total Depth: 16374

Ground Elevation: 1822

Surface Casing: 400

Depth to base of Treatable Water-Bearing FM: 270

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 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 21 Twp 16N Rge 13W 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: 10542

Radius of Turn: 477

Direction: 360

Total Length: 5083

Measured Total Depth: 16374

True Vertical Depth: 12271

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

Notes:

Category

Description

HYDRAULIC FRACTURING

10/16/2017 - G57 - 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

11/27/2017 - G57 - 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

10/16/2017 - G57 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201705197

11/14/2017 - G57 - (I.O.) 21-16N-13W
X669316 MSSP
COMPL. INT. NCT 165' FSL & FNL, NCT 330' FEL
NO OP. NAMED
REC. 8-28-2017 (DUNN)

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

011 23890 MASQUELIER 1613 1-21MH

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.

Category	Description
SPACING - 669316	11/14/2017 - G57 - (640)(HOR) 21-16N-13W VAC 141190 CSTR VAC 123621 MISS EXT 660363 MSSP, OTHER COMPL. INT. (MSSP) NLT 660' FB

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.