API NUMBER: 011 23976

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:	03/28/2018
Expiration Date:	09/28/2018

PERMIT TO DRILL

WELL LOCATION:	Sec:	03	Twp:	16N	Rge:	10W	County:	BLAINE

SPOT LOCATION: NE NE NW NW FEET FROM QUARTER: FROM NORTH FROM WEST SECTION LINES: 238 1236

Lease Name: IRVEN JOHN 1710 Well No: 2-34-27MXH Well will be 238 feet from nearest unit or lease boundary.

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

MARATHON OIL COMPANY 5555 SAN FELIPE ST

HOUSTON, TX 77056-2701

EDWARD QUINTLE & VELTA QUINTLE 28212 STATE HIGHWAY 33

OMEGA OK 73764

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

Name Depth Name Depth MISSISSIPPIAN 1 9361 6 2 7 3 8 4 9 5 10 648021 Spacing Orders: Location Exception Orders: 673558 Increased Density Orders: 673555 648022 673553 673557 673556

Pending CD Numbers: Special Orders:

Total Depth: 20093 Ground Elevation: 1227 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? N

Pit is not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: CPit Location is NON HSA

Pit Location Formation: CHICKASHA

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: CHICKASHA

HORIZONTAL HOLE 1

Sec 27 Twp 17N Rge 10W County **BLAINE** NW Spot Location of End Point: ΝE NW NF Feet From: NORTH 1/4 Section Line: 50 Feet From: WEST 1/4 Section Line: 1949

Depth of Deviation: 9001 Radius of Turn: 477 Direction: 355

T-1-11 --------- 400

Total Length: 10343

Measured Total Depth: 20093

True Vertical Depth: 10130

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

Notes:

Category Description

DEEP SURFACE CASING 3/16/2018 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS

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

SURFACE CASING

EXCEPTION TO RULE - 673553 3/23/2018 - G75 - (E.O.) 27-17N-10W

X165:10-3-28(C)(2)(B) MSSP (IRVEN JOHN 1710 2-34-27MXH)

MAY BE CLOSÉR THAN 600' TO STEPHEN 27-1

MARATHON OIL CO.

2-12-2018

HYDRAULIC FRACTURING 3/16/2018 - 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

INCREASED DENSITY - 673555 3/23/2018 - G75 - (E.O.) 27-17N-10W

X648021 MSSP 3 WELLS

MARATHON OIL CO.

2-12-2018

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.

Category Description

INCREASED DENSITY - 673557 3/23/2018 - G75 - (E.O.) 34-17N-10W

X648022 MSSP 3 WELLS MARATHON OIL CO.

2-12-2018

INTERMEDIATE CASING 3/16/2018 - 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

LOCATION EXCEPTION - 673558 3/23/2018 - G75 - (E.O.)

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

SHL (3-16N-10W) 238' FNL, 1236' FEL **

COMPL. INT. (34-17N-10W) NCT 165 FSL, NCT 0 FNL, NCT 1980 FWL ++ COMPL. INT. (27-17N-10W) NCT 0 FSL, NCT 165 FNL, NCT 1980 FWL ++

MARATHON OIL CO.

2-12-2018

** ITD HAS SHL AS 1236' FWL 3-16N-10W; TO BE CORRECTED AT THE HEARING FOR THE

FINAL ORDER LOCATION EXCEPTION PER OP.

++ ITD HAS LATERAL AS 1949' FWL; TO BE CORRECTED AT THE HEARING FOR THE FINAL

ORDER LOCATION EXCEPTION PER OP.

MEMO 3/16/2018 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 -

OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

SPACING - 648021 3/23/2018 - 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 3/23/2018 - G75 - (640)(HOR) 34-17N-10W

VAC 95567 CRLM, MRMC, OSGE

EST MSSP, OTHER POE TO BHL NCT 660' FB

SPACING - 673556 3/23/2018 - 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.

2-12-2018

