

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

API NUMBER: 051 24282

Approval Date: 02/15/2018

Expiration Date: 08/15/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 8N Rge: 5W

County: GRADY

SPOT LOCATION: ☐ SW ☐ NW ☐ NE ☐ NW

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 406 1535

Lease Name: TED

Well No: 2326 2H

Well will be 406 feet from nearest unit or lease boundary.

Operator
Name: EOG RESOURCES INC

Telephone: 4052463212

OTC/OCC Number: 16231 0

EOG RESOURCES INC
3817 NW EXPRESSWAY STE 500
OKLAHOMA CITY, OK 73112-1483

BETTY JEAN & JEFFREY RALPH SHANNON
2712 NW 25TH STREET
BLANCHARD OK 73010

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

	Name	Depth	Name	Depth
1	WOODFORD	10600	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201801029
201801030
201801033
201801032
201707668
201707669

Special Orders:

Total Depth: 20755

Ground Elevation: 1290

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 380

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: 5000 Average: 3000

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

H. SEE MEMO

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 26 Twp 8N Rge 5W County GRADY

Spot Location of End Point: S2 SE SW SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 990

Depth of Deviation: 9907

Radius of Turn: 382

Direction: 185

Total Length: 10248

Measured Total Depth: 20755

True Vertical Depth: 10705

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Category

Description

DEEP SURFACE CASING

2/7/2018 - 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

2/7/2018 - 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

MEMO

2/7/2018 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; WBM, WBM & OBM CUTTINGS TO LONE MOUNTAIN FACILITY (EPA ID # OKD065438376, 28 & 33-23N-15W, MAJOR CO.) OR DEQ APPROVED FACILITY (SOUTHERN PLAINS LANDFILL, 3-5N-6W, GRADY CO., # 3526013); PIT 2 - OBM TO VENDOR

PENDING CD - 201707668

2/8/2018 - G75 - (E.O.)(640)(HOR) 23-8N-5W
EXT 652880 WDFD
POE TO BHL NCT 165' FNL & FSL, NCT 330' FEL & FWL
EOG RESOURCES, INC.
REC 12-28-2017 (DUNN)

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.

051 24282 TED 2326 2H

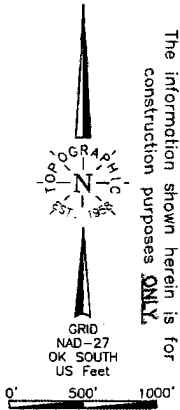
Category	Description
PENDING CD - 201707669	2/8/2018 - G75 - (E.O.)(640)(HOR) 26-8N-5W EXT 634535 WDFD, OTHER POE TO BHL NCT 165' FNL & FSL, NCT 330' FEL & FWL EOG RESOURCES, INC. REC 12-28-2017 (DUNN)
PENDING CD - 201801029	2/8/2018 - G75 - 23-8N-5W X201707668 WDFD 3 WELLS EOG RESOURCES, INC. HEARING 2-26-2018
PENDING CD - 201801030	2/8/2018 - G75 - 26-8N-5W X201707669 WDFD 3 WELLS EOG RESOURCES, INC. HEARING 2-26-2018
PENDING CD - 201801032	2/8/2018 - G75 - (E.O.) 23 & 26-8N-5W EST MULTIUNIT HORIZONTAL WELL X201707668 WDFD 23-8N-5W X201707669 WDFD 26-8N-5W 50% 23-8N-5W 50% 26-8N-5W EOG RESOURCES, INC. REC 2-12-2018 (NORRIS)
PENDING CD - 201801033	2/8/2018 - G75 - (E.O.) 23 & 26-8N-5W X201707668 WDFD 23-8N-5W X201707669 WDFD 26-8N-5W X165:10-3-28(C)(2)(B) MAY BE CLOSER THAN 600' TO EXISTING/PROPOSED WELL COMPL. INT. (23-8N-5W) NCT 165' FNL, NCT 0' FSL, NCT 930' FWL COMPL. INT. (26-8N-5W) NCT 0' FNL, NCT 165' FSL, NCT 930' FWL EOG RESOURCES, INC. REC 2-12-2018 (NORRIS)

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406' FNL-1535' FWL Section 23 Township 8N Range 5W I.M.



The information shown herein is for construction purposes ONLY.

LANDING POINT
165' FNL-990' FWL
NAD-27 (US Feet)
35°08'35.3"N
97°42'03.0"W
35.159810871°N
97.702214195°W
X= 2089014
Y= 664824

X= 2088031
Y= 662337

X= 2090667
Y= 665002

X= 2093117
Y= 665008

X= 2093329
Y= 662168

EXISTING WELL
±149' TO PDP

PROPOSED DRILL PATH

X= 2090685
Y= 659709

X= 2093329
Y= 659724

EXISTING WELL
±173' TO PDP

X= 2088058
Y= 657055

X= 2093337
Y= 657079

BOTTOM HOLE &
TAKE POINT 1
165' FSL-990' FWL
NAD-27 (US Feet)
35°07'54.0"N
97°42'07.8"W
35.131654060°N
97.702176526°W
X= 2089055
Y= 654578

X= 2088066
Y= 654406

X= 2090706
Y= 654420

X= 2093346
Y= 654433

Operator: EOG RESOURCES, INC.
Lease Name: TED 2326
Topography & Vegetation: Loc. fell on level pod
Good Drill Site? Yes
Reference Stakes or Alternate Location
Best Accessibility to Location: From North off county road.
Distance & Direction: From St. Hwy. 9/76/US Hwy. 62/277 and the Grady-McClain county line, go ±0.25 mi. North, then ±1.0 mi. West, then ±2.0 mi. North, then ±1.0 mi. West to the NW Cor. of Sec. 23-T8N-R5W.

ELEVATION:
1290' Gr. at Level Pod

DATUM: NAD-27
LAT: 35°09'33.0"N
LONG: 97°42'01.4"W
LAT: 35.159154510°N
LONG: 97.700391904°W
STATE PLANE
COORDINATES: (US Feet)
ZONE: OK SOUTH
X: 2089559
Y: 664587

Date of Drawing: Feb. 1, 2018
Invoice # 287505 Date Staked: Jan. 25, 2018 TR

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

Thomas L. Howell
Oklahoma Lic. No. 1433

