

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

API NUMBER: 011 24172

Approval Date: 02/01/2019

Expiration Date: 08/01/2020

Horizontal Hole  
Oil & Gas  
Multi Unit

PERMIT TO DRILL

WELL LOCATION: Sec: 25 Twp: 17N Rge: 10W

County: BLAINE

SPOT LOCATION: ☐ NW ☐ NW ☐ NW ☐ SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 2321 2323

Lease Name: MARJORIE 1710

Well No: 4-25-36MXH

Well will be 2321 feet from nearest unit or lease boundary.

Operator  
Name: MARATHON OIL COMPANY

Telephone: 4057205508

OTC/OCC Number: 1363 0

MARATHON OIL COMPANY  
7301 NW EXPRESSWAY STE 225  
OKLAHOMA CITY, OK 73132-1590

STEPHEN MENDELL  
14112 N 2770 ROAD  
LOYAL OK 73756

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

| Name            | Depth | Name | Depth |
|-----------------|-------|------|-------|
| 1 MISSISSIPPIAN | 8280  | 6    |       |
| 2               |       | 7    |       |
| 3               |       | 8    |       |
| 4               |       | 9    |       |
| 5               |       | 10   |       |

Spacing Orders: 650409  
649377

Location Exception Orders:

Increased Density Orders: 689235  
689236

Pending CD Numbers: 201809339  
201809326  
201809338

Special Orders:

Total Depth: 16530

Ground Elevation: 1249

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 190

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: C

Pit 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

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 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 36 Twp 17N Rge 10W County BLAINE

Spot Location of End Point: SE SE SW SE

Feet From: SOUTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 1340

Depth of Deviation: 8047

Radius of Turn: 573

Direction: 174

Total Length: 7583

Measured Total Depth: 16530

True Vertical Depth: 9093

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

Notes:

Category

Description

DEEP SURFACE CASING

12/17/2018 - 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

12/17/2018 - 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](http://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](http://FRACFOCUS.ORG)

INCREASED DENSITY - 689235

2/1/2019 - G56 - 25-17N-10W  
X650409 MSSP  
6 WELLS  
MARATHON OIL CO.  
1/4/2019

INCREASED DENSITY - 689236

2/1/2019 - G56 - 36-17N-10W  
X649377 MSSP  
3 WELLS  
MARATHON OIL CO.  
1/4/2019

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011 24172 MARJORIE 1710 4-25-36MXH

| Category               | Description                                                                                                                                                                                                                                                                  |
|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| INTERMEDIATE CASING    | 12/17/2018 - 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                                   |
| MEMO                   | 12/17/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT                                                                                                                               |
| PENDING CD - 201809326 | 2/1/2019 - G56 - (I.O.) 36-17N-10W<br>X165:10-3-28(C)(2)(B) MSSP<br>MAY BE CLOSER THAN 600' TO THE THEO 1-36 WELL<br>MARATHON OIL CO.<br>REC 12/17/2019 (P. PORTER)                                                                                                          |
| PENDING CD - 201809338 | 2/1/2019 - G56 - (I.O.) 25 & 36-17N-10W<br>EST MULTIUNIT HORIZONTAL WELL<br>X650409 MSSP 25-17N-10W<br>X649377 MSSP 36-17N-10W<br>33% 25-17N-10W<br>67% 36-17N-10W<br>MARATHON OIL CO.<br>REC 12/17/2018 (P. PORTER)                                                         |
| PENDING CD - 201809339 | 2/1/2019 - G56 - (I.O.) 25 & 36-17N-10W<br>X650409 MSSP 25-17N-10W<br>X649377 MSSP 36-17N-10W<br>COMPL INT (25-17N-10W) NCT 150' FNL, NCT 0' FSL ,NCT 330' FEL<br>COMPL INT (36-17N-10W) NCT 0' FNL, NCT 150' FSL, NCT 330' FEL<br>NO OP NAMED<br>REC 12/17/2018 (P. PORTER) |
| SPACING - 649377       | 2/1/2019 - G56 - (640)(HOR) 36-17N-10W<br>VAC OTHER<br>VAC 121396 MSSNC, MNNG, MSSSD NW4<br>EST MSSP, OTHERS<br>COMPL INT NCT 660' FB<br>(COEXIST SP. ORDER # 121396 MSSNC, MNNG, MSSSD SW4, NE4, SE4)                                                                       |
| SPACING - 650409       | 2/1/2019 - G56 - (640)(HOR) 25-17N-10W<br>VAC OTHER<br>VAC 121396 MSSNC, MNNG, MSSSD W2<br>VAC 121396 MNNG SE4<br>EXT 644205 MSSP, OTHERS<br>COMPL INT NCT 660' FB<br>(COEXIST SP. ORDER # 121396 MSSNC, MNNG, MSSSD NE4 & ORDER # 121396 MSSNC, MSSSD SE4)                  |

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