API NUMBER: 051 24367

Disposal

Straight Hole

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

Approval Date:	05/22/2018
Expiration Date:	11/22/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 13 Twp: 9N Rge: 7W	County: GRA	ADY		
SPOT LOCATION: SW SE NE NE	FEET FROM QUARTER: FROM	SOUTH FROM	WEST	
	SECTION LINES:	1420	2270	
Lease Name: TUTLE PAXTON SWD	Well No:	1	Well wil	l be 1420 feet from nearest unit or lease boundary.
Operator COBALT ENVIRONMENTAL SOLUTI	IONS LLC	Telephone: 58	02799446	OTC/OCC Number: 23434 0
Name:		·		
COBALT ENVIRONMENTAL SOLUTION	S LLC		T. L. & DANA HAR	RTLEY
PO BOX 1266			4716 NORTH MCMILLAN AVENUE	
ARDMORE, OK 7340	73402-1266			
			BETHANY	OK 73008
Formation(s) (Permit Valid for Listed Form Name 1 PERMIAN 2 PENNSYLVANIAN 3 4	nations Only): Depth 3450 4600	6 7 8 9	Name	Depth
5		10)	
Spacing Orders: No Spacing	Location Exception	n Orders:		Increased Density Orders:
Pending CD Numbers:				Special Orders:
Total Depth: 6500 Ground Elevation: 125	7 Surface	Casing: 450	D	lepth to base of Treatable Water-Bearing FM: 370
Under Federal Jurisdiction: No	Fresh Wate	er Supply Well Drilled:	No	Surface Water used to Drill: Yes
PIT 1 INFORMATION		Ap	proved Method for disposal of	Drilling Fluids:
Type of Pit System: ON SITE		A.	Evaporation/dewater and bac	kfilling of reserve pit.
Type of Mud System: WATER BASED				
Chlorides Max: 5000 Average: 3000				
Is depth to top of ground water greater than 10ft below base	e 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: 2				
Liner not required for Category: 2				

Notes:

Pit Location is NON HSA

Pit Location Formation: DOG CREEK

Category Description

HYDRAULIC FRACTURING 5/22/2018 - 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

SPACING 5/22/2018 - G71 - N/A - DISPOSAL WELL