

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

API NUMBER: 037 29417

Approval Date: 11/02/2018

Expiration Date: 05/02/2020

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 06 Twp: 15N Rge: 7E

County: CREEK

SPOT LOCATION: C SW SE

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 660 660

Lease Name: STROUD LAKE

Well No: 1-6

Well will be 660 feet from nearest unit or lease boundary.

Operator Name: BLUE DOLPHIN PRODUCTION LLC

Telephone: 4052855388

OTC/OCC Number: 20881 0

BLUE DOLPHIN PRODUCTION LLC
13120 N MACARTHUR BLVD
OKLAHOMA CITY, OK 73142-3017

CITY OF STROUD
P.O. BOX 500
STROUD OK 74079

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

	Name	Depth		Name	Depth
1	BRUNER	1180	6	VIOLA	3564
2	CLEVELAND	1982	7	SIMPSON DOLOMITE	3612
3	PRUE	2765	8	2ND WILCOX	3639
4	SKINNER	2896	9	ARBUCKLE	4022
5	RED FORK	3046	10		

Spacing Orders: 677747

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 4500

Ground Elevation: 911

Surface Casing: 810

Depth to base of Treatable Water-Bearing FM: 760

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: 2500 Average: 1800

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: ADA

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 18-35621

H. CLOSED SYSTEM=STEEL PITS (REQUIRED - STROUD LAKE)

Notes:

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

037 29417 STROUD LAKE 1-6

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
FORMATION DEPTHS	11/2/2018 - G75 - PER OPERATOR
HYDRAULIC FRACTURING	<p>10/24/2018 - GA8 - OCC 165:10-3-10 REQUIRES:</p> <p>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;</p> <p>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: OCCWEB.COM/OG/OGFORMS.HTML; AND,</p> <p>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</p>
PUBLIC WATER SUPPLY WELL	10/24/2018 - GA8 - STROUD LAKE CAMPGROUND, 1 WELL, SW4 8-15N-07E
SPACING - 677747	<p>11/2/2018 - G75 - (160/80) SE4 6-15N-7E</p> <p>VAC 13796 BRNR SE4</p> <p>VAC 39656 CLVD SE4</p> <p>VAC 46913 ABCK SE4</p> <p>EST (160) BRNR, CLVD, PRUE, SKNR, RDFK, VIOL, SMPSD, WLCX2, OTHERS</p> <p>EST (80) ABCK LD NE/SW</p>

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