

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

API NUMBER: 017 25251 A

Approval Date: 07/31/2018
Expiration Date: 01/31/2020

Straight Hole Disposal

Amend reason: CORRECT SURFACE LOCATION & TOTAL DEPTH

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 14N Rge: 7W

County: CANADIAN

SPOT LOCATION: ☐ NE ☐ NE ☐ NE ☐ SE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 117 265

Lease Name: MUD BUG SWD

Well No: 1

Well will be 117 feet from nearest unit or lease boundary.

Operator Name: LAGOON WATER LOGISTICS LLC

Telephone: 4057531195

OTC/OCC Number: 24110 0

LAGOON WATER LOGISTICS LLC
16224 MUIRFIELD PL
EDMOND, OK 73013-9790

KUDRON LIVING TRUST
14301 NW EXPRESSWAY
PIEDMONT OK 73078

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

	Name	Depth	Name	Depth
1	WOLFCAMPIAN	2925	6	
2	VIRGILIAN	4925	7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 6500

Ground Elevation: 0

Surface Casing: 390

Depth to base of Treatable Water-Bearing FM: 140

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: ON SITE

A. Evaporation/dewater and backfilling of reserve pit.

Type of Mud System: WATER BASED

Chlorides Max: 4000 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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: DUNCAN

Notes:

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
HYDRAULIC FRACTURING	<p>7/30/2018 - G71 - 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>
SPACING	7/30/2018 - G71 - N/A - DISPOSAL WELL

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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.

017 25251 MUD BUG SWD 1