

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

API NUMBER: 037 29261 A

Approval Date: 01/19/2018

Expiration Date: 07/19/2018

Straight Hole Oil & Gas

PERMIT TO DEEPEN

WELL LOCATION: Sec: 18 Twp: 17N Rge: 8E

County: CREEK

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 1155 1980

Lease Name: PIPER

Well No: 1

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

Operator
Name: GIBSON LES

Telephone: 9186292328

OTC/OCC Number: 20882 0

GIBSON LES
369142 E 960 RD
WELTY, OK 74833-3922

C & C PRODUCTIONS
P.O. BOX 1861
MUSKOGEE OK 74402

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

	Name	Depth		Name	Depth
1	OSWEGO	2374	6	SIMPSON	3800
2	PRUE	2460	7		
3	RED FORK	2680	8		
4	BARTLESVILLE	2800	9		
5	GILCREASE	3200	10		

Spacing Orders: 617897

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201800314
201800317

Special Orders:

Total Depth: 3900

Ground Elevation: 880

Surface Casing: 888 IP

Depth to base of Treatable Water-Bearing FM: 820

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: 1500 Average: 800

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: VAMOOSA

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>1/9/2018 - 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>
PENDING CD - 201800314	<p>1/11/2018 - G75 - (E.O.) E2 NE4 18-17N-8E X617897 OSWG 1155' FSL, 660' FEL EMERALD OIL ** REC 1-19-2018 (DUNN)</p> <p>** WILL BE CORRECTED AT HEARING TO LES GIBSON DBA EMERALD OIL PER ATTORNEY FOR OPERATOR</p>
PENDING CD - 201800317	<p>1/11/2018 - G75 - (E.O.) E2 NE4 18-17N-8E X617897 PRUE, RDFK, BRVL, GLCR, SMPS 1155' FSL, 660' FEL EMERALD OIL ** REC 1-19-2018 (DUNN)</p> <p>** WILL BE CORRECTED AT HEARING TO LES GIBSON DBA EMERALD OIL PER ATTORNEY FOR OPERATOR</p>
SPACING - 617897	<p>1/10/2018 - G75 - (80) E2 NE4 18-17N-8E SU NE4 NE4 NCT 330' FB VAC 29494 OSWG, PRUE, RDFK E2 NE4 VAC OTHER EXT 599415 PRUE, RDFK, OTHER EST OSWG, BRVL, GLCR, SMPS, OTHERS</p>
SURFACE LOCATION	<p>1/19/2018 - G75 - 1155' FSL, 1980' FWL NE4 18-17N-8E PER OPERATOR</p>

APPLICATION TO DRILL, RECOMPLETE OR REENTER

FORM 1000
REV. 2009

FILE ORIGINAL ONLY

PLEASE TYPE OR USE BLACK INK

1. OTC/OCC OPERATOR NUMBER

20882

2. API NUMBER

037-29261

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

BATCH NUMBER (OCC USE ONLY)

WALK THROUGH

3. NOTICE OF INTENT TO:

(CHECK ONLY ONE)

☐ DRILL ☐ RECOMPLETE ☐ REENTER ☒ DEEPEN ☐ AMEND - REASON

NOTE: ATTACH COPY OF 1002-A IF RECOMPLETION OR REENTRY.

4. TYPE OF DRILLING OPERATION >>>>>>> (NOTE: If directional or horizontal, see reverse side for bottom hole location)

A. ☒ STRAIGHT HOLE ☐ DIRECTIONAL HOLE ☐ HORIZONTAL HOLE
B. ☒ OIL/GAS ☐ INJECTION ☐ DISPOSAL ☐ WATER SUPPLY ☐ STRAT TEST ☐ SERVICE WELL

5. WELL LOCATION:

SECTION 18 TOWNSHIP 17N RANGE 08E COUNTY creek

SPOT LOCATION: N2 1/4 NE 1/4 SE 1/4 NE 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
SECTION LINES: 3795 1980 1980 1980

7. Well will be 165 feet from nearest unit or property boundary. 1155

8. LEASE NAME: PIPER WELL NUMBER: 1

9. NAME OF OPERATOR: Les Gibson EMAIL ADDRESS: plwgeog1@yahoo.com

ADDRESS: 369142 E 960 RD PHONE (AC/NUMBER): 9186292328

CITY: WELTY STATE: OK ZIP CODE: 74833

10. SURFACE OWNER (ONE ONLY, ATTACH SHEET FOR ADDITIONAL OWNERS)

C AND C PRODUCTIONS

ADDRESS: PO BOX 1861

CITY: MUSKOGEE STATE: OK ZIP CODE: 74402

14. LIST TARGET FORMATIONS AND DEPTHS OF EACH BELOW (LIMITED TO TEN)

- | | |
|-----------------------|-----------------|
| 1) Osage 2374 | 6) |
| 2) Prue 2460 | 7) Simpson 3800 |
| 3) REDFORK 2680 | 8) |
| 4) BARTELESVILLE 2800 | 9) |
| 5) GILCREASE 3200 | 10) |

15. SPACING ORDER NUMBER(S) AND SIZE UNIT(S): 617897 80ac

16. PENDING APPLICATION C.D. NO. 20180314 00317

17. LOCATION EXCEPTION ORDER NO. none

18. INCREASED DENSITY ORDER NO. none

19. TOTAL DEPTH 3900 20. GROUND ELEV. 880 21. BASE OF TREATABLE WATER 820 22. SURFACE CASING 870 23. ALT CASING PROPOSED? Y X N

24. ALTERNATIVE CASING PROCEDURE, check box and fill in blank (AFFIDAVIT REQUIRED, see reverse side, line 31.)

A. Cement will be circulated from total depth to ground surface on the production casing string.
B. Cement will be circulated from depth to depth by use of a two stage cementing tool.

25.1. PIT INFORMATION: Using more than one pit or mud system? Y X N If yes, fill out line 25.2 on top reverse side.

A. TYPE OF MUD SYSTEM: X WATER BASED OIL BASED GAS BASED (AIR DRILL)

B. EXPECTED MUD CHLORIDE CONTENT: maximum: 1500 ppm; average: 800 ppm.

C. TYPE OF PIT SYSTEM: X on-site off-site closed If off-site, specify location:

D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? X Y N

E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? Y X N Off-Site Pit No.

F. WELLHEAD PROTECTION AREA? Y X N

26.1. A. CATEGORY 1A 1B 2 3 4 C

OCC USE ONLY B. PIT LOCATION: Alluvial Plain Terrace Deposit X Bedrock Aquifer Other H.S.A. Non-H.S.A. Fr: Vamocsa

C. Special area or field rule? Y X N D. DEEP SCA? Y X N E. CBL required? Y X N

F. SOIL COMPACTED LINER REQUIRED? Y X N G. 20 mil GEOMEMBRANE LINER REQUIRED? Y X N

27. PROPOSED METHOD FOR DISPOSAL OF DRILLING FLUIDS (MUST BE COMPLETED)

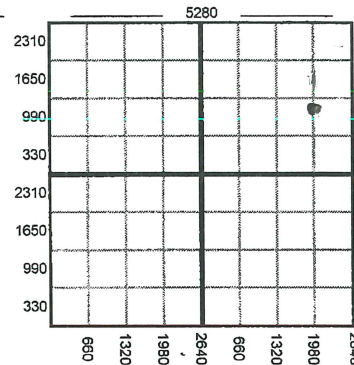
- ☒ A. Evaporation/dewater and backfilling of reserve pit.
☐ B. Solidification of pit contents.
☐ C. Annular Injection (REQUIRES PERMIT and surface casing set 200 feet below base of treatable water-bearing formation.)
☐ D. One time land application (REQUIRES PERMIT) PERMIT NO.
☐ E. Haul to Commercial pit facility; Specify site: Order No.
☐ F. Haul to Commercial soil farming facility; Specify site: Order No.
☐ G. Haul to recycling/re-use facility; Specify site: Order No.
☐ H. Other, Specify:

I hereby certify I am authorized to submit this two page application prepared by me or under my supervision.

The facts and proposals made herein are true, correct and complete to the best of my knowledge and belief.

SIGNATURE: Les Gibson NAME (Print or Type): Les Gibson PHONE (AC/NO.): 918-629-2328 FAX: 918-623-1338 DATE: 1/8/2018

NOTICE: Approval is void if operations have not commenced within six months of the date of approval. An approved permit must be posted at the location during drilling and completion operations. File the Form 1001A, Spud Report, within fourteen days of commencement of operations.



18
SEC
17N
TOWNSHIP
PIPER
WELL NAME
RANGE
08E

TEMPORARY AUTHORIZATION
TO DRILL

Expiration Date: 1-22-2018

Signature: Virginia Helling

165:10-3-1-1

NOTIFY DISTRICT OFFICE 24 HOURS PRIOR TO CEMENTING SURFACE CASING.

25.2. PIT INFORMATION:

A. TYPE OF MUD SYSTEM: ☐ WATER BASED ☐ OIL BASED ☐ GAS BASED (AIR DRILL)
 B. EXPECTED MUD CHLORIDE CONTENT: maximum: _____ ppm; average: _____ ppm.
PIT #2 C. TYPE OF PIT SYSTEM: ☐ on-site ☐ off-site ☐ closed If off-site, specify location: _____
 D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? ☐ Y ☐ N
 E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? ☐ Y ☐ N Off-Site Pit No. _____
 F. WELLHEAD PROTECTION AREA? ☐ Y ☐ N

26.2 OCC USE ONLY A. CATEGORY 1A 1B 2 3 4 C Fm: _____
 B. PIT LOCATION: ☐ Alluvial Plain ☐ Terrace Deposit ☐ Bedrock Aquifer ☐ Other H.S.A. ☐ Non-H.S.A.
 C. Special area or field rule? ☐ Y ☐ N D. DEEP SCA? ☐ Y ☐ N E. CBL? ☐ Y ☐ N
 F. SOIL COMPACTED LINER REQUIRED? ☐ Y ☐ N G. 20 mil GEOMEMBRANE LINER REQUIRED? ☐ Y ☐ N

29 Bottom Hole Location for Directional Hole: SEC _____ TWP _____ RGE _____ COUNTY _____

SPOT LOCATION: 1/4 _____ 1/4 _____ 1/4 _____ 1/4 _____ FEET FROM QUARTER from SOUTH LINE _____ from WEST LINE _____
SECTION LINES: _____
 Measured Total _____ True Vertical _____ BHL from nearest Lease, Unit, Or Property Line: _____
 Depth _____

30. Bottom Hole Location for Horizontal Hole: (LATERALS)

LATERAL #1: SEC _____ TWP _____ RGE _____ COUNTY _____
SPOT LOCATION: 1/4 _____ 1/4 _____ 1/4 _____ 1/4 _____ FEET FROM QUARTER from SOUTH LINE _____ from WEST LINE _____
SECTION LINES: _____
 Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____
 Measured Total _____ True Vertical _____ End Point location from nearest lease, unit _____
 Depth _____ or property line: _____

LATERAL #2: SEC _____ TWP _____ RGE _____ COUNTY _____
SPOT LOCATION: 1/4 _____ 1/4 _____ 1/4 _____ 1/4 _____ FEET FROM QUARTER from SOUTH LINE _____ from WEST LINE _____
SECTION LINES: _____
 Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____
 Measured Total _____ True Vertical _____ End Point location from nearest lease, unit _____
 Depth _____ or property line: _____

LATERAL #3: SEC _____ TWP _____ RGE _____ COUNTY _____
SPOT LOCATION: 1/4 _____ 1/4 _____ 1/4 _____ 1/4 _____ FEET FROM QUARTER from SOUTH LINE _____ from WEST LINE _____
SECTION LINES: _____
 Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____
 Measured Total _____ True Vertical _____ End Point location from nearest lease, unit _____
 Depth _____ or property line: _____

31. AFFIDAVIT FOR ALTERNATIVE CASING PROGRAM

(Signature on front of this form attests to this affidavit)

1. This well ☐ WILL ☐ WILL NOT penetrate any known lost circulation zones.
2. During the drilling of this well, withdrawals from any water well within 1/4 mile ☐ WILL ☐ WILL NOT exceed 50 gallons per minute.
3. The projected depth of the well ☐ IS ☐ IS NOT less than 100 feet from the top of any enhanced recovery project or gas storage facility.
4. List the following for all water wells within 1/4 mile of this well. (Information concerning some water wells may be obtained from the OKLAHOMA WATER RESOURCES BOARD, 3800 N. Classen Blvd., Oklahoma City, OK 73118). IF NO WATER WELLS FOUND, SO STATE. (ATTACH ADDITIONAL SHEET IF NECESSARY)

Name of Owner/Operator	Address of Owner/Operator	Location (Nearest 1/4 1/4 1/4 1/4)	Depth of Well

5. A cement bond log is required to be run and submitted from not less than 100 feet below the base of the treatable water-bearing formation to the surface. **OCC USE ONLY**
6. If casing depth is more than 250 feet deeper than base of the treatable water-bearing formation, operator must submit a letter of request listing reasons and precautions to be taken.

INTENT TO DRILL CHECKLIST
 APPROVED _____ REJECTED _____

OCC USE ONLY

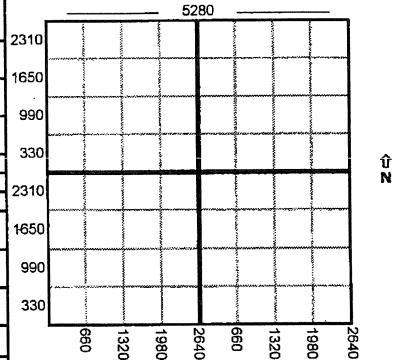
OCC USE ONLY

1. SURETY
 A. NONE filed. 5/12/18
 B. EXPIRED: Date _____
 C. OUTSTANDING CONTEMPT ORDER.

4. GEOLOGY

DO NOT WRITE INSIDE THIS BOX

28. Locate Bottom Hole



1. If more than two drainholes are proposed, attach separate sheet indicating the necessary information.
2. Direction must be stated in degrees azimuth.
3. Please note the horizontal drainhole and its end point must be located within the legal boundaries of the lease or spacing unit. Directional surveys are required for all drainholes and directional wells.

OKLA CORP COMM
 RECEIPT 180627005
 Date: 01/09/2018 Time: 10:47
 Case: 000000000 Cashier: CRS
 Payor: EMERALD OIL LLC
 Check: 7264 \$500.00
 45 Emerg Walk Thru ITD