

API NUMBER: 087 22405

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

Approval Date: 01/26/2023

Expiration Date: 07/26/2024

Straight Hole

Disposal

## PERMIT TO DRILL

WELL LOCATION: Section: 35 Township: 6N Range: 2W County: MCCLAIN

SPOT LOCATION: ☐ SE ☐ NW ☐ NW ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST  
SECTION LINES: 475 2119

Lease Name: BK SWD Well No: 1 Well will be 475 feet from nearest unit or lease boundary.

Operator Name: BLUE WATER SOLUTIONS LLC Telephone: 4052860361 OTC/OCC Number: 23988 0

BLUE WATER SOLUTIONS LLC  
13929 QUAIL POINTE DR  
OKLAHOMA CITY, OK 73134-1002

LAUREL PROPERTIES, LLC  
P.O. BOX 2282  
EDMOND OK 73083

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

	Name	Code	Depth
1	CISCO	406CSCO	5000
2	HOXBAR	405HXBR	5500

Spacing Orders: No Spacing

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: \*\*\*

Special Orders: No Special

Total Depth: 6000

Ground Elevation: 1182

Surface Casing: 400

Depth to base of Treatable Water-Bearing FM: 350

Under Federal Jurisdiction: No  
Fresh Water Supply Well Drilled: No  
Surface Water used to Drill: Yes

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

### PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 5000 Average: 3000

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: PURCELL

### NOTES:

This permit does not address the right of entry or settlement of surface damages. The duration of this permit is 18 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>[1/26/2023 - GC2] - OCC 165:10-3-10 REQUIRES:</p> <p>1) NOTICE SHALL BE GIVEN AT LEAST 5 BUSINESS DAYS PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS ON A HORIZONTAL WELL TO OPERATORS PRODUCING WELLS WITHIN 1 MILE OF THE COMPLETION INTERVAL OF THE SUBJECT WELL. THE NOTICE TO SUCH OPERATORS SHALL CONTAIN THE INFORMATION IN FORM 6000NOO. IF THE HYDRAULIC FRACTURING OPERATIONS SCHEDULE CHANGES AFTER NOTICE HAS BEEN PROVIDED, RESULTING IN A DELAY OF OPERATIONS OF MORE THAN 5 DAYS FROM THE INITIAL NOTICE, NEW NOTICE IS REQUIRED TO BE GIVEN;</p> <p>2) NOTICE WILL BE GIVEN TO THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES AT LEAST 48 HOURS PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS. FORM 6000NHF SHALL BE FOUND HERE: <a href="https://oklahoma.gov/occ/divisions/oil-gas/ogcd-forms">HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS</a>; AND,</p> <p>3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS IS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION OF HYDRAULIC FRACTURING OPERATIONS, FOUND AT <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
SPACING	[1/26/2023 - GC2] - N/A - DISPOSAL WELL