

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

API NUMBER: 139 36011 A

Approval Date: 09/13/2019
Expiration Date: 03/13/2021

Straight Hole Water Supply

PERMIT TO RE-ENTER

WELL LOCATION: Sec: 14 Twp: 6N Rge: 11ECM County: TEXAS

SPOT LOCATION: C NE SE FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 1980 1980

Lease Name: NWFU(HEATLEY ESTATE)

Well No: 1

Well will be 1980 feet from nearest unit or lease boundary.

Operator Name: SCOUT ENERGY MANAGEMENT LLC

Telephone: 9722771397

OTC/OCC Number: 23138 0

SCOUT ENERGY MANAGEMENT LLC
4901 LBJ FWY STE 300
DALLAS, TX 75244-6107

DARREN W AND JULIE A BUCK
P O BOX 1121
ELKHART OK 67950

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

Name	Depth	Name	Depth
1 GLORIETA	1146	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 4660

Ground Elevation: 3568

Surface Casing: 1485 IP

Depth to base of Treatable Water-Bearing FM: 840

Under Federal Jurisdiction: Yes

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: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 8000 Average: 5000

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: OGALLALA

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; WATER BASED GOING TO CHAOSLAND, KS FOR DISPOSAL

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>8/19/2019 - 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: OCCEWEB.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	9/12/2019 - GC2 - N/A WATER SUPPLY WELL