

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

API NUMBER: 051 24732

Approval Date: 11/05/2019

Expiration Date: 05/05/2021

Straight Hole

Disposal

PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 6N Rge: 5W

County: GRADY

SPOT LOCATION: ☐ SE ☐ SW ☐ SW ☐ SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 230 2071

Lease Name: ALEX BOX SWD

Well No: 1

Well will be 230 feet from nearest unit or lease boundary.

Operator Name: LAGOON WATER LOGISTICS LLC

Telephone: 4057531195

OTC/OCC Number: 24110 0

LAGOON WATER LOGISTICS LLC
101 N ROBINSON AVE STE 400
OKLAHOMA CITY, OK 73102-5502

WIRT H BRAND JR
PO BOX 344
ALEX OK 73002

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

| | Name | Depth | | Name | Depth |
|---|---------------|-------|----|-------|-------|
| 1 | TONKAWA | 6968 | 6 | DEESE | 9848 |
| 2 | COTTAGE GROVE | 8523 | 7 | | |
| 3 | HOGSHOOTER | 8788 | 8 | | |
| 4 | CHECKERBOARD | 8936 | 9 | | |
| 5 | CLEVELAND | 9247 | 10 | | |

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 10000

Ground Elevation: 1103

Surface Casing: 490

Depth to base of Treatable Water-Bearing FM: 240

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

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

PERMIT NO: 19-37037

Chlorides Max: 3500 Average: 2500

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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: DUNCAN

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>10/18/2019 - 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: 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 | 10/18/2019 - G71 - N/A - DISPOSAL WELL |