

API NUMBER: 011 24264

OKLAHOMA CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
P.O. BOX 52000
OKLAHOMA CITY, OK 73152-2000
(Rule 165:10-3-1)Approval Date: 05/26/2021
Expiration Date: 11/26/2022

Straight Hole Disposal

PERMIT TO DRILL

WELL LOCATION: Section: 10 Township: 16N Range: 12W County: BLAINE

SPOT LOCATION: SE SE NE SE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 1050 207

Lease Name: LEFTY SWD Well No: 1 Well will be 207 feet from nearest unit or lease boundary.

Operator Name: LAGOON WATER LOGISTICS LLC Telephone: 4059006900 OTC/OCC Number: 24110 0

LAGOON WATER LOGISTICS LLC
101 N ROBINSON AVE STE 400
OKLAHOMA CITY, OK 73102-5502TIM FOLEY REVOCABLE TRUST
805 VILLA DRIVE
WATONGA OK 73772

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

	Name	Code	Depth
1	HOOVER	406HOVR	4000
2	ELGIN	406ELGN	5880
3	ENDICOTT	406ENDC	6280
4	LOVELL	406LVLL	6550
5	TONKAWA	406TNKW	6845

	Name	Code	Depth
6	COTTAGE GROVE	405CGGV	7400
7	CLEVELAND	405CLVD	8370
8	ATOKA	403ATOK	8900

Spacing Orders: No Spacing

Location Exception Orders: No Exceptions

Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special Orders

Total Depth: 9000

Ground Elevation: 1502

Surface Casing: 440

Depth to base of Treatable Water-Bearing FM: 110

Deep surface casing has been approved

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

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 21-37564

H. (Other)

CLOSED SYSTEM=STEEL PITS (REQUIRED - NORTH
CANADIAN RIVER)

PIT 1 INFORMATION

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: ALLUVIAL

Pit Location Formation: ALLUVIUM

NOTES:

Category	Description
DEEP SURFACE CASING	[5/26/2021 - GB6] - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING

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.

HYDRAULIC FRACTURING	<p>[4/5/2021 - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCWEB.COM/OG/OGFORMS.HTML; 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 FRACFOCUS.ORG</p>
INTERMEDIATE CASING	<p>3/18/2019 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES PRIOR TO DRILLING INTO THE MORROW SERIES</p>
SPACING	<p>3/18/2019 - G71 - N/A - DISPOSAL WELL</p>