

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

API NUMBER: 109 22479

Approval Date: 09/23/2019

Expiration Date: 03/23/2021

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 14N Rge: 3W

County: OKLAHOMA

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 2310 300

Lease Name: SALYER

Well No: 23-5

Well will be 300 feet from nearest unit or lease boundary.

Operator
Name: CASTELLA INC

Telephone: 9183316433

OTC/OCC Number: 21740 0

CASTELLA INC
1613 W 6TH ST
BARTLESVILLE, OK 74003-3712

B. M. SALYER
3111 NW 19TH ST
OKLAHOMA CITY OK 73107

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

Name	Depth	Name	Depth
1 BARTLESVILLE	6600	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 394641

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 6724

Ground Elevation: 1181

Surface Casing: 880

Depth to base of Treatable Water-Bearing FM: 630

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

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? Y

Wellhead Protection Area? Y

Pit is **not** located in a Hydrologically Sensitive Area.

Category of Pit: 1A

Liner required for Category: 1A

Pit Location is NON HSA

Pit Location Formation: FAIRMONT

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. MIN. 20-MIL PIT LINER REQUIRED

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>8/30/2019 - 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>
PUBLIC WATER SUPPLY WELLS	<p>8/30/2019 - G71 - EDMOND PWA/ ARCADIA - 1 PWS/WPA, SE/4 14-14N-3W & 2 PWS/WPA NW/4 26-14N-3W</p>
SPACING - 394641	<p>9/17/2019 - GC3 - (UNIT) NW4 SE4, SW4 SE4, SW4, SW4 NE4, NW4 NE4, SE4 NE4, NE4 SE4, SW4 NW4, SE4 NW4, NW4 NW4, NE4 NW4, NE4 NE4, SE4 SE4 23-14N-3W EST NORTHWEST EDMOND UNIT FOR THE BRVL, OTHER</p>