API NUMBER: 017 25252

Disposal

Pit is not located in a Hydrologically Sensitive Area.

Category of Pit: 2

Liner not required for Category: 2Pit Location is NON HSA

Pit Location Formation: DOG CREEK

Straight Hole

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

Approval Date: 07/31/2018
Expiration Date: 07/31/2019

PERMIT TO DRILL

| | | - | | <u> </u> | | |
|---|-----------------|--|---------------------|--------------------------|--|--------------------------------|
| WELL LOCATION: Sec: 34 Twp | o: 12N Rge: 8W | County: CANAI | DIAN | | | |
| SPOT LOCATION: SE NW | 02 02 | | | EAST | | |
| | SECTIO | N LINES: | 900 | 920 | | |
| Lease Name: CAYMAN SWD | | Well No: | 1 | W | ell will be 900 feet from n | earest unit or lease boundary. |
| Operator LAGOON WATE Name: | R LOGISTICS LLC | | Telephone: 4 | 057531195 | OTC/OCC Number | er: 24110 0 |
| LAGOON WATER LOGIS | STICS LLC | | | MICHAEL J S | CHLECT | |
| | 0.0700 | 3904 SOUTH REFORMATORY ROAD | | |) | |
| EDMOND, | OK 7301 | 3-9790 | | EL RENO | OK | 73036 |
| Name 1 WOLFCAMPIAN 2 VIRGILIAN 3 4 5 Spacing Orders: No Spacing | | Depth 2950 4950 Location Exception C | | , 3 | Increased Density Orde | Depth ers: |
| Pending CD Numbers: | | | | | Special Orders: | |
| Total Depth: 6500 Ground Elevation: 1411 | | Surface Casing: 600 | | | Depth to base of Treatable Water-Bearing FM: 410 | |
| Under Federal Jurisdiction: No | | Fresh Water S | Supply Well Drilled | : No | Surface Wa | ater used to Drill: No |
| PIT 1 INFORMATION | | Approved Method for disposal of Drilling Fluids: | | | | |
| Type of Pit System: ON SITE Type of Mud System: WATER BASI | ED | | A | . Evaporation/dewater ar | nd backfilling of reserve pit. | |
| Chlorides Max: 4000 Average: 1800 Is depth to top of ground water greate Within 1 mile of municipal water well? Wellhead Protection Area? N | | t? Y | _ | | | |

Additional Surface OwnerAddressCity, State, ZipMARY C BOUSE TRUSTEE14112 RHONDA LANEEDMOND, OK 73013JO ANN HIGGINS TRUSTEE125 OAK TREE DRIVEMIDWEST CITY, OK 73130

Notes:

Category Description

HYDRAULIC FRACTURING 7/30/2018 -

7/30/2018 - G71 - OCC 165:10-3-10 REQUIRES:

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;

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,

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

SPACING 7/30/2018 - G71 - N/A - DISPOSAL WELL