

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

API NUMBER: 103 24759

Approval Date: 06/19/2019

Expiration Date: 12/19/2020

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 18 Twp: 21N Rge: 2W

County: NOBLE

SPOT LOCATION:

NW

NE

SW

SE

FEET FROM QUARTER: FROM

SOUTH

FROM

WEST

SECTION LINES:

1120

900

Lease Name: BOND

Well No: 5

Well will be 200 feet from nearest unit or lease boundary.

Operator Name: THREE SANDS OIL INC

Telephone: 5803362410

OTC/OCC Number: 6889 0

THREE SANDS OIL INC

PO BOX 853

PERRY, OK 73077-0853

KAYE BOND

1914 LAKEVIEW

PERRY OK 73077

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

	Name	Depth		Name	Depth
1	CREWS	2062	6	VIOLA	5300
2	COTTAGE GROVE	4110	7	1ST WILCOX	5350
3	CHECKERBOARD	4550	8	MARSHALL	5400
4	VERDIGRIS	4890	9	2ND WILCOX	5425
5	WOODFORD	5240	10		

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201902470

Special Orders:

Total Depth: 5475

Ground Elevation: 1101

Surface Casing: 225

Depth to base of Treatable Water-Bearing FM: 130

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: ON SITE

A. Evaporation/dewater and backfilling of reserve pit.

Type of Mud System: WATER BASED

Chlorides Max: 4000 Average: 2000

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: GARBER

Notes:

This permit does not address the right of entry or settlement of surface damages.

The duration of this permit is SIX 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>3/25/2019 - 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: <a href="http://OCCEWEB.COM/OG/OGFORMS.HTML">OCCEWEB.COM/OG/OGFORMS.HTML</a>; 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: <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
PENDING CD - 201902470	<p>5/1/2019 - G75 - (I.O.) SW4 SE4 18-21N-2W  X165:10-1-21 CGGV, CCKB, VRDG, WDFD, VIOL, WLCX1, MRSL, WLCX2  NCT 165' FNL, NCT 330' FEL  X165:10-1-21 WLCX1, WLCX2 LESS THAN 600' FROM BOND 1-18 (API 103-24216) &amp; BOND 2-18 (API 103-24218)  THREE SANDS OIL, INC.  REC 6-18-2019 (MINMIER)</p>
SPACING	<p>4/5/2019 - G75 - FORMATIONS UNSPACED; 40-ACRE LEASE (SW4 SE4)</p>
WATERSHED STRUCTURE	<p>3/25/2019 - G71 - WELL WITHIN 1/2 MILE OF AN OKLAHOMA CONSERVATION COMMISSION WATERSHED STRUCTURE. CONTACT THE LOCAL CONSERVATION DISTRICT OFFICE AT (580) 336-2003 PRIOR TO DRILLING</p>