

APPLICATION TO DRILL, RECOMPLETE OR REENTER

FORM 1000
REV. 2009

FILE ORIGINAL ONLY

PLEASE TYPE OR USE BLACK INK

1. OTC/OCC OPERATOR NUMBER

21381

2. API NUMBER

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

BATCH NUMBER (OCC USE ONLY)

3. NOTICE OF INTENT TO:

(CHECK ONLY ONE)

☒ DRILL ☐ RECOMPLETE ☐ REENTER ☐ DEEPEN ☐ AMEND - REASON

NOTE: ATTACH COPY OF 1002-A IF RECOMPLETION OR REENTRY.

4. TYPE OF DRILLING OPERATION >>>>>>> (NOTE: If directional or horizontal, see reverse side for bottom hole location)

A. STRAIGHT HOLE ☐ DIRECTIONAL HOLE ☐ HORIZONTAL HOLE ☒B. ☒ OIL/GAS ☐ INJECTION ☐ DISPOSAL ☐ WATER SUPPLY ☐ STRAT TEST ☐ SERVICE WELL

5. WELL LOCATION:

SECTION 15 TOWNSHIP 15N RANGE 16W COUNTY Custer

SPOT LOCATION: N/2 1/4 N/2 1/4 NW/4 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
SECTION LINES: 2440' 1,320'

7. Well will be 200' feet from nearest unit or property boundary.

8. LEASE NAME: Green WELL NUMBER: 1-15H

9. NAME OF OPERATOR: Sanguine Gas Exploration, L.L.C.

EMAIL ADDRESS:

ADDRESS P.O. Box 700720 PHONE (AC/NUMBER) 918-484-6070

CITY Tulsa STATE OK ZIP CODE 74170

10. SURFACE OWNER (ONE ONLY, ATTACH SHEET FOR ADDITIONAL OWNERS)

Lloyd R. & Betty Green

ADDRESS P.O. Box 1142

CITY Kingfisher STATE OK ZIP CODE 73750

14. LIST TARGET FORMATIONS AND DEPTHS OF EACH BELOW (LIMITED TO TEN)

1) Cottage Grove (8,560') 6)

2) 7)

3) 8)

4) 9)

5) 10)

15. SPACING ORDER NUMBER(S) AND SIZE UNIT(S): 618149 (Douglas, Cottage Grove & Cleveland - 640 ac)

16. PENDING APPLICATION C.D. NO. (LX) 201307521

17. LOCATION EXCEPTION ORDER NO.

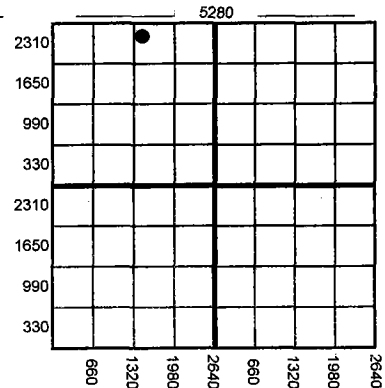
18. INCREASED DENSITY ORDER NO.

19. TOTAL DEPTH 13,500' 20. GROUND ELEV. 1785' 21. BASE OF TREATABLE WATER 370' 22. SURFACE CASING 900' 23. ALT CASING PROG USED? X Y N

24. ALTERNATIVE CASING PROCEDURE, check box and fill in blank (AFFIDAVIT REQUIRED, see reverse side, line 31.)

☒ A. Cement will be circulated from total depth to ground surface on the production casing string.
☐ B. Cement will be circulated from depth to depth by use of a two stage cementing tool.25.1. PIT INFORMATION: Using more than one pit or mud system? ☒ Y ☐ N If yes, fill out line 25.2 on top reverse side.A. TYPE OF MUD SYSTEM: ☒ WATER BASED ☐ OIL BASED ☐ GAS BASED (AIR DRILL)
B. EXPECTED MUD CHLORIDE CONTENT: maximum: 20,000 ppm; average: 6,000 ppm.C. TYPE OF PIT SYSTEM: ☐ on-site ☐ off-site ☒ closed If off-site, specify location:D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? ☒ Y ☐ NE. WITHIN 1 MILE OF MUNICIPAL WATER WELL? ☐ Y ☒ NF. WELLHEAD PROTECTION AREA? ☐ Y ☒ N Off-Site Pit No.26.1. A. CATEGORY 1A 1B 2 3 4 C
OCC USE ONLY B. PIT LOCATION: Alluvial Plain Terrace Deposit Bedrock Aquifer Other H.S.A. Non-H.S.A. Fr:
C. Special area or field rule? D. DEEP SCA? ☐ Y ☐ N E. CBL required? ☐ Y ☐ N
F. SOIL COMPACTED LINER REQUIRED? ☐ Y ☐ N G. 20 mil GEOMEMBRANE LINER REQUIRED? ☐ Y ☐ N

27. PROPOSED METHOD FOR DISPOSAL OF DRILLING FLUIDS (MUST BE COMPLETED)

☐ A. Evaporation/dewater and backfilling of reserve pit.
☐ B. Solidification of pit contents.
☐ C. Annular Injection (REQUIRES PERMIT and surface casing set 200 feet below base of treatable water-bearing formation.)
☒ D. One time land application (REQUIRES PERMIT) PERMIT NO. 13-24829
☐ E. Haul to Commercial pit facility; Specify site: Order No.
☐ F. Haul to Commercial soil farming facility; Specify site: Order No.
☐ G. Haul to recycling/re-use facility; Specify site: Order No.
☒ H. Other, Specify: CLOSED SYSTEM (STEEL PIT)6. LOCATE WELL AND OUTLINE
LEASE OR SPACING UNIT IN INK.15
SEC
15N
TOWNSHIP
16W
RANGE
1-15H
WELL NAME
Green

I hereby certify I am authorized to submit this two page application prepared by me or under my supervision.

The facts and proposals made herein are true, correct and complete to the best of my knowledge and belief.

SIGNATURE Josh C. Clark NAME (Print or Type) JOSH C. CLARK PHONE (AC/NO.) 405-340-9299 FAX 405-340-9241 DATE 11/26/2013

NOTICE: Approval is void if operations have not commenced within six months of the date of approval. An approved permit must be posted at the location during drilling and completion operations.
File the Form 1001A, Spud Report, within fourteen days of commencement of operations.



NOTIFY DISTRICT OFFICE 24 HOURS PRIOR TO CEMENTING SURFACE CASING.

25.2. PIT INFORMATION:

A. TYPE OF MUD SYSTEM: WATER BASED ☒ OIL BASED ☐ GAS BASED (AIR DRILL) ☐
 B. EXPECTED MUD CHLORIDE CONTENT: maximum: 310,000 ppm; average: 270,000 ppm.
PIT #2 C. TYPE OF PIT SYSTEM: on-site ☐ off-site ☒ closed ☐ If off-site, specify location: _____
 D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? ☒ Y ☐ N
 E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? ☐ Y ☒ N
 F. WELLHEAD PROTECTION AREA? ☐ Y ☒ N Off-Site Pit No. _____

26.2 OCC USE ONLY A. CATEGORY 1A 1B 2 3 4 C Fm: _____
 B. PIT LOCATION: Alluvial Plain ☐ Terrace Deposit ☐ Bedrock Aquifer ☐ Other H.S.A. ☐ Non-H.S.A. ☐
 C. Special area or field rule? ☐ D. DEEP SCA? ☐ Y ☐ N E. CBL? ☐ Y ☐ N
 F. SOIL COMPACTED LINER REQUIRED? ☐ Y ☐ N G. 20 mil GEOMEMBRANE LINER REQUIRED? ☐ Y ☐ N

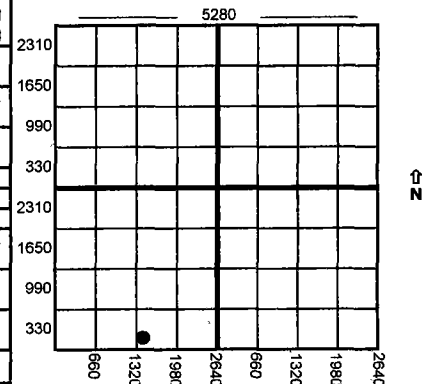
29 Bottom Hole Location SEC 15 TWP 15N RGE 16W COUNTY CUSTER
 for Directional Hole:
 SPOT LOCATION: 1/4 1/4 1/4 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES: _____
 Measured Total _____ True Vertical _____ BHL from nearest Lease, Unit, Or Property Line: _____
 Depth _____ Depth _____

30. Bottom Hole Location for Horizontal Hole: (LATERALS)
 LATERAL #1: SEC 15 TWP 15N RGE 16W COUNTY CUSTER
 SPOT LOCATION: S/2 1/4 S/2 1/4 SW/4 1/4 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES: 200' 1,320'
 Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____
8,500' 600 180 4,330'
 Measured Total _____ True Vertical _____ End Point location from nearest lease, unit
 Depth 13,500' Depth 8,570' or property line: 200'

LATERAL #2: SEC _____ TWP _____ RGE _____ COUNTY _____
 SPOT LOCATION: 1/4 1/4 1/4 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES: _____
 Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____
 Measured Total _____ True Vertical _____ End Point location from nearest lease, unit
 Depth _____ Depth _____ or property line: _____

LATERAL #3: SEC _____ TWP _____ RGE _____ COUNTY _____
 SPOT LOCATION: 1/4 1/4 1/4 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES: _____
 Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____
 Measured Total _____ True Vertical _____ End Point location from nearest lease, unit
 Depth _____ Depth _____ or property line: _____

28. Locate Bottom Hole



1. If more than two drainholes are proposed, attach separate sheet indicating the necessary information.
2. Direction must be stated in degrees azimuth.
3. Please note the horizontal drainhole and its end point must be located within the legal boundaries of the lease or spacing unit. Directional surveys are required for all drainholes and directional wells.

31. AFFIDAVIT FOR ALTERNATIVE CASING PROGRAM

(Signature on front of this form attests to this affidavit)

1. This well WILL ☒ WILL NOT ☐ penetrate any known lost circulation zones.
2. During the drilling of this well, withdrawals from any water well within 1/4 mile WILL ☐ WILL NOT ☐ exceed 50 gallons per minute.
3. The projected depth of the well IS ☒ IS NOT ☐ less than 100 feet from the top of any enhanced recovery project or gas storage facility.
4. List the following for all water wells within 1/4 mile of this well. (Information concerning some water wells may be obtained from the OKLAHOMA WATER RESOURCES BOARD, 3800 N. Classen Blvd., Oklahoma City, OK 73118). IF NO WATER WELLS FOUND, SO STATE. (ATTACH ADDITIONAL SHEET IF NECESSARY)

Name of Owner/Operator	Address of Owner/Operator	Location (Nearest 1/4 1/4 1/4 1/4)	Depth of Well
No water wells found			

5. A cement bond log is required to be run and submitted from not less than 100 feet below the base of the treatable water-bearing formation to the surface. **OCC USE ONLY**
6. If casing depth is more than 250 feet deeper than base of the treatable water-bearing formation, operator must submit a letter of request listing reasons and precautions to be taken.

INTENT TO DRILL CHECKLIST
 APPROVED _____ REJECTED _____

OCC USE ONLY

OCC USE ONLY

1. SURETY

- A. NONE filed.
- B. EXPIRED: Date 6-27-14
- C. OUTSTANDING CONTEMPT ORDER.

4. GEOLOGY

DO NOT WRITE INSIDE THIS BOX

Case: 0000000000
 Payor: SANJUINE GAS EXPLORATION LLC
 Check: 111667
 46 Intent to Drill
 Date: 11/27/2013 Time: 10:07
 RECEIPT 1404190021
 OKLA CORP COMM