

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

API NUMBER: 125 20208 A

Approval Date: 08/19/2016
Expiration Date: 02/19/2017

Straight Hole Disposal

PERMIT TO DEEPEN

WELL LOCATION: Sec: 28 Twp: 7N Rge: 4E

County: POTTAWATOMIE

SPOT LOCATION: SW NE NE NW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 1990 1990

Lease Name: DEATHERAGE

Well No: B-1

Well will be 330 feet from nearest unit or lease boundary.

Operator Name: PHOENIX OIL & GAS INC

Telephone: 4053820935

OTC/OCC Number: 10952 0

PHOENIX OIL & GAS INC
PO BOX 1859
SEMINOLE, OK 74818-1859

P.O.G. L.L.C.
P.O. BOX 1859
SEMINOLE OK 74818

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

Name	Depth	Name	Depth
1 WILCOX	4300	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 4600

Ground Elevation: 954

Surface Casing: 242 IP

Depth to base of Treatable Water-Bearing FM: 270

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: 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: 1B

Liner required for Category: 1B

Pit Location is BED AQUIFER

Pit Location Formation: OSCAR

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

E. Haul to Commercial pit facility: Sec. 19 Twn. 8N Rng. 5E Cnty. 125 Order No: 274874

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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
ALTERNATE CASING	8/18/2016 - G71 - APPROVED WITH THE FOLLOWING CONDITIONS: 1) PERFORATE AND SQUEEZE NO DEEPER THAN 100' BELOW BTW; AND, 2) COPY OF CBL NEEDS TO BE SUBMITTED TO OCC TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED PER OCC 165:10-3-4(D)(4)(C)
HYDRAULIC FRACTURING	8/18/2016 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE.
SPACING	8/18/2016 - G71 - N/A - DISPOSAL WELL
SURFACE CASING	8/19/2016 - G71 - 242' OF 10 3/4" CASING IN PLACE; OPERATOR WILL PERFORATE EXISTING 7" CASING AT 370' AND CIRCULATE CEMENT TO SURFACE

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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.