

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

API NUMBER: 087 22159 A

Approval Date: 01/18/2019
Expiration Date: 07/18/2020

Straight Hole Disposal

Amend reason: FORMATION, TOTAL DEPTH

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 32 Twp: 8N Rge: 4W County: MCCLAIN
SPOT LOCATION: NE NW NE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2515 1830

Lease Name: COBALT WALNUT CREEK SWD Well No: 1 Well will be 125 feet from nearest unit or lease boundary.
Operator Name: COBALT ENVIRONMENTAL SOLUTIONS LLC Telephone: 5802799446 OTC/OCC Number: 23434 0

COBALT ENVIRONMENTAL SOLUTIONS LLC
PO BOX 1266
ARDMORE, OK 73402-1266

MARGARET & RONALD WHERRELL
314 SW 7TH STREET
BLANCHARD OK 73010

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

Name	Depth	Name	Depth
1 SIMPSON	11200	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: 12350 Ground Elevation: 1187 **Surface Casing: 550** Depth to base of Treatable Water-Bearing FM: 480

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

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? N

Wellhead Protection Area? N

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: 1A

Liner required for Category: 1A

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

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 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

7/9/2018 - 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

7/9/2018 - G71 - N/A - DISPOSAL WELL

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.

087 22159 COBALT WALNUT CREEK SWD 1