



**ILLINOIS DEPARTMENT OF NATURAL RESOURCES**

Office of Oil and Gas Resource Management  
One Natural Resources Way Springfield, Illinois 62702-1271



**HIGH VOLUME HORIZONTAL HYDRAULIC FRACTURING  
PERMIT APPLICATION HVHFF-10**

References to "1-xx" or "§1-xx" are to the Hydraulic Fracturing Regulatory Act., 225 ILCS 732/1-1 et seq. References to "240.xxx" and "245.xxx" are to 62 Ill. Admin. Code 240 and 245, respectively.

**Attachment: BondMunicipalConsentRegistration**

Please save attachment and use the file name above.

**(1) Bond §1-65; 245.210(f), 245.220.**

Please provide proof of bond as required by 245.220(b) and/or (c)

**(2) Municipal Consent 245.210(c).**

Will the well site be located within the limits of any city, village, or incorporated town  YES  NO  
If "Yes," what city, village, or incorporated town? \_\_\_\_\_

If "Yes," attach a certified copy of the official consent for the high volume horizontal hydraulic fracturing operations to occur from the municipal authorities where the well site is proposed to be located.

**(3) Registration Update 245.210(b)(1).**

Do you certify that the applicant registration information previously provided to the Department pursuant to Section 245.200 is accurate and up to date?  YES  NO initial: \_\_\_\_\_

**(4) Additional Information §1-53(a)(4); 245.300(c)(4).**

Attach any other information you wish the Department to consider that will demonstrate you're your operations will be conducted in a manner that will protect the public health, public safety, property, wildlife, aquatic life and environment, and will prevent pollution or diminution of any water source.

**ATTESTATION § 1-35(f) ; 245.210(h).**

I, Scott Fraizer, affirm that I am the applicant or the applicant's designee who has been vested with the authority to act on behalf of the applicant, and that I have direct knowledge of the information contained in the application and its attachments. I certify, under penalty of perjury as provided by law and under penalty of refusal, suspension, or revocation of a high volume horizontal hydraulic fracturing permit, that this application and all attachments are true, accurate, and complete to the best of my knowledge.

SIGNATURE: \_\_\_\_\_ DATE: 5/5/17

Title



Division of Oil and Gas  
 One Natural Resources Way  
 Springfield, IL 62702-1271  
 (217) 782-7756

**FINANCIAL SECURITY  
 INSTRUMENT (BOND)  
 CERTIFICATE OF DEPOSIT**

- LIQUID OILFIELD WASTE TRANSPORTATION SYSTEM      CERTIFICATE # \_\_\_\_\_
- BLANKET BOND (ALL WELLS OR PERMITS)                      PERMITTEE # \_\_\_\_\_
- INDIVIDUAL BOND (SINGLE WELL OR PERMIT)

Woolsey Operating Co, LLC, of 125 North Market St., Suite 1000, Wichita, KS 67202

(Permittee) (Permanent Address) (City) (Zip)  
 (316) 267-4379 County of Sedwick, State of Kansas  
 (Telephone)

IS HELD AND FIRMLY BOUND UNTO THE ILLINOIS DEPARTMENT OF NATURAL RESOURCES, OFFICE OF MINES AND MINERALS IN THE PENAL SUM OF Fifty Thousand DOLLARS (\$ 50,000.00 ), TO THE PAYMENT WHEREOF THE PERMITTEE, AND THE PERMITTEE'S HEIRS, EXECUTORS, ADMINISTRATORS, SUCCESSORS AND ASSIGNS, ARE JOINTLY AND SEVERALLY BOUND. THIS OBLIGATION IS SECURED BY ONE OR MORE CERTIFICATES OF DEPOSIT, AS IDENTIFIED ABOVE, DRAWN ON A FEDERALLY-INSURED BANK, MADE PAYABLE OR ASSIGNED TO THE ILLINOIS DEPARTMENT OF NATURAL RESOURCES, OFFICE OF MINES AND MINERALS, AND PLACED IN ITS POSSESSION. WHICH SAID SUM SHALL BE HELD, APPLIED, AND RETURNED TO THE PERMITTEE UNDER THE CONDITIONS AND FOR THE PURPOSES HEREINAFTER SET FORTH.

WHEREAS, THE PERMITTEE HAS APPLIED, OR INTENDS TO APPLY, TO THE ILLINOIS DEPARTMENT OF NATURAL RESOURCES, OFFICE OF MINES AND MINERALS FOR A PERMIT TO: (CHOOSE ONE)

- OPERATE A LIQUID OILFIELD WASTE TRANSPORTATION SYSTEM; OR
- DRILL COAL, STRUCTURE, MINERAL OR GROUNDWATER MONITORING TEST HOLE OR HOLES; OR
- DRILL OR DEEPEN AN OIL OR GAS WELL (OR WELLS) OR A WELL (OR WELLS) USED IN CONJUNCTION THEREWITH; OR
- TRANSFER A WELL (OR WELLS) ACQUIRED FOR OIL AND GAS PRODUCTION OR FOR USE IN CONJUNCTION THEREWITH.

**ONLY COMPLETE IF BOND IS FOR INDIVIDUAL WELL OR PERMIT**

WELL TO BE KNOWN AS: _____	REFERENCE #: _____
(NORTH) (EAST)	
(SOUTH) (WEST) OF THE _____ CORNER OF THE _____ QUARTER	
OF THE _____ QUARTER OF THE _____ QUARTER OF SECTION _____	
(NORTH) (EAST)	
TOWNSHIP _____ (SOUTH) RANGE _____ (WEST), _____ COUNTY	

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION ARE SUCH, THAT IF THE PERMITTEE SHALL FULLY COMPLY WITH THE PROVISIONS OF THE ILLINOIS OIL AND GAS ACT, 226 ILCS 725/1 ET. SEQ., (ACT), AS AMENDED, AND SHALL COMPLY WITH AND CONFORM TO THE REGULATIONS AND ORDERS OF THE ILLINOIS DEPARTMENT OF NATURAL RESOURCES, OFFICE OF MINES AND MINERALS ISSUED UNDER THE PROVISIONS OF THE ACT AND AMENDMENTS THERETO, THEN THE PERMITTEE MAY APPLY TO THE ILLINOIS DEPARTMENT OF NATURAL RESOURCES, OFFICE OF MINES AND MINERALS FOR A RELEASE OF THIS OBLIGATION.

THE PERMITTEE'S OBLIGATIONS UNDER THIS PENAL BOND SHALL BE RELEASED BY THE ILLINOIS DEPARTMENT OF NATURAL RESOURCES, OFFICE OF MINES AND MINERALS, AND THE ABOVE-MENTIONED DEPOSIT SHALL BE RETURNED TO THE PERMITTEE, IF THE ILLINOIS DEPARTMENT OF NATURAL RESOURCES, OFFICE OF MINES AND MINERALS DETERMINES, TO ITS SATISFACTION, THAT THE PERMITTEE HAS FULLY COMPLIED WITH THE TERMS AND CONDITIONS OF THIS BOND.

THE FULL FACE AMOUNT OF THIS BOND IS SUBJECT TO FORFEITURE, BY THE ILLINOIS DEPARTMENT OF NATURAL RESOURCES, OFFICE OF MINES AND MINERALS, IN THE EVENT THE PERMITTEE IS FOUND TO HAVE VIOLATED THE PROVISIONS OF THE ACT AND SUCH VIOLATIONS REMAIN UNABATED.

SPECIAL INSTRUCTIONS: THE PRINCIPAL IS REQUIRED TO NOTIFY THE ILLINOIS DEPARTMENT OF NATURAL RESOURCES, OFFICE OF MINES AND MINERALS WITHIN THIRTY (30) DAYS OF THE SALE OF THE WELL FOR WHICH THIS BOND IS SUBMITTED, PURSUANT TO 62 ILL. ADM. CODE 240.1420.

UNDER PENALTIES OF PERJURY, WE DECLARE THAT WE ARE EXECUTING THE FOREGOING INDIVIDUAL COLLATERAL BOND FOR THE USES AND PURPOSES THEREIN SET FORTH.

IN WITNESS WHEREOF, WE HAVE HEREUNTO SET OUR RESPECTIVE HANDS AND SEALS THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_.

PERMITTEE:

\_\_\_\_\_  
SIGNATURE

*Manager*  
\_\_\_\_\_  
TITLE

*October*  
\_\_\_\_\_  
DATE

APPROVED BY:

\_\_\_\_\_  
DIVISION OF OIL AND GAS

\_\_\_\_\_  
DATE



Division of Oil and Gas  
 One Natural Resources Way  
 Springfield, IL 62702-1271  
 (217) 782-7756

**ASSIGNMENT OF  
 CERTIFICATE OF DEPOSIT**

For value received, Woolsey Operating Company, LLC (Permittee) hereby assigns, sets over and transfers to the Illinois Department of Natural Resources, Office of Mines and Minerals, its successors and assigns the Illinois Department of Natural Resources, Office of Mines and Minerals, all right, title, and interest of Woolsey Operating Company, LLC (Permittee) in and to the principal amount of \$50,000.00 on deposit in Woolsey Operating Co, LLC (Permittee) account in Peoples National Bank (Bank), evidence by Certificate of Deposit number [REDACTED] (in the amount of \$50,000.00) and all sums now or at any time hereafter on deposit in such account, for the purpose of securing payment of each and every debt, liability or obligation under: (choose one)

1. Section 8c of the Oil and Gas Act (225 ILCS 725/8c) concerning operation of a Liquid Oilfield Waste Transportation System; or
2. Section 6 of the Oil and Gas Act (225 ILCS 725/6) concerning the drilling and operation of oil and gas and Class II wells; or
3. Section 2 of the Oil and Gas Act (225 ILCS 725/2) concerning the drilling of geological, structure, coal or other mineral test holes, or monitoring wells in connection with any activity regulated by the Department.

which Woolsey Operating Co, LLC (Permittee) may now or any time hereafter owe to the Illinois Department of Natural Resources, Office of Mines and Minerals, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is direct or indirect, due or to become due, absolute or contingent or joint and/or several ("Obligations"). The foregoing assignment shall be construed as a grant of a security interest, subject to the extent applicable to the Uniform Commercial Code as enacted in the State of Illinois.

Woolsey Operating Company, LLC (Permittee) hereby irrevocably authorizes and empowers the Illinois Department of Natural Resources, Office of Mines and Minerals at any time, whether or not at such time the Obligations or any part thereof are due and payable, in its own name or in Woolsey Operating Co, LLC (Permittee) name to demand, apply for withdrawal, receipt and give acquittance for any and all sums which are or will become due and payable under said account, to exercise any and all rights and privileges and receive all benefits accorded to said account, to execute any and all instruments required therefor, and to apply such moneys towards payment of the Obligations in such order of application as the Illinois Department of Natural Resources, Office of Mines and Minerals may determine, all without notice to Woolsey Operating Co, LLC (Permittee). Peoples National Bank (Bank) is hereby specifically authorized and directed, on demand of the Illinois Department of Natural Resources, Office of Mines and Minerals, to pay said account and all moneys hereby assigned directly to the Illinois Department of Natural Resources, Office of Mines and Minerals and to transfer said account into the name of the Illinois Department of Natural Resources, Office of Mines and Minerals on the books of Peoples National Bank (Bank). Until this assignment has been released by a writing delivered by the Illinois Department of Natural Resources, Office of Mines and Minerals to Peoples National Bank (Bank), Woolsey Operating Company, LLC (Permittee) shall have no right to make any withdrawals from said account (except interest earned thereon which shall be payable to Woolsey Operating Company, LLC (Permittee) from time to time) or to the issuance of any new certificate evidencing such account.

ATTEST  
 \_\_\_\_\_  
 Title: Manager

Woolsey Operating Company, LLC  
 Permittee  
 By: \_\_\_\_\_  
 Signature of Permittee  
 Title: Manager

ACKNOWLEDGMENT OF ASSIGNMENT

We acknowledge receipt of the notice of assignment and transfer of the account of Woolsey Operating Company, LLC (Permittee) in this institution evidenced by Certificates of Deposit number [REDACTED] (in the amount of \$ 50,000.00).

We further acknowledge that until released by the Illinois Department of Natural Resources, Office of Mines and Minerals, the principal amount of \$50,000.00 on deposit in such account is payable directly to the Illinois Department of Natural Resources, Office of Mines and Minerals and that no account holder or assignee (except for the Illinois Department of Natural Resources, Office of Mines and Minerals) shall have any right to make any withdrawal from said account (except for interest earned on such account which shall be paid to Woolsey Operating Company, LLC(Permittee)) or to obtain any new certificate evidencing said account. We expressly waive all rights of set offs or liens against the above-referenced certificate of Deposit.

Peoples National Bank

Name of Bank

413 S 34th St Mt Vernon, IL 62864

Address

Date: \_\_\_\_\_

By: [REDACTED]

Susan Sochacki

Title: \_\_\_\_\_

Retail Sales Manager

RELEASE OF ASSIGNMENT

TO:

This is to advise you the assignment of the account of Woolsey Operating Co LLC (Permittee) in your institution evidenced by Certificate of Deposit number [REDACTED] (in the amount of \$ 50,000.00 ) has been released. Pursuant to such release, please take appropriate action to ensure that all unpaid interest earned on this account is paid or credited to Woolsey Operating Co LLC (Permittee).

Date: \_\_\_\_\_

By: \_\_\_\_\_

Supervisor

Division of Oil and Gas