

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

API NUMBER: 005 20466 A

Approval Date: 02/08/2018
Expiration Date: 08/08/2018

Horizontal Hole Oil & Gas

Amend reason: CHANGE WELL TYPE & WELL NUMBER

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 07 Twp: 2S Rge: 10E County: ATOKA
SPOT LOCATION: ☐ SE ☐ NE ☐ NE ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 2271 250

Lease Name: NACHO Well No: 1-8/17H Well will be 250 feet from nearest unit or lease boundary.
Operator Name: CANYON CREEK ENERGY OPERATING LLC Telephone: 9185616737 OTC/OCC Number: 23443 0

CANYON CREEK ENERGY OPERATING LLC
2431 E 61ST ST STE 400
TULSA, OK 74136-1237

JIM & LISA HARDMAN
9291 W. WATSON CREEK LN.
ATOKA OK 74525

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	5670	6	
2	WOODFORD	6000	7	
3	HUNTON	6200	8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201801552
201801557
201801558

Special Orders:

Total Depth: 13250 Ground Elevation: 647 Surface Casing: 1000 Depth to base of Treatable Water-Bearing FM: 310

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: AIR

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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 not located in a Hydrologically Sensitive Area.

F. Haul to Commercial soil farming facility: Sec. 14 Twn. 7N Rng. 9E Cnty. 63 Order No: 551649

H. SEE MEMO

Category of Pit: 4

Liner not required for Category: 4

Pit Location is NON HSA

Pit Location Formation: ATOKA

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

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.

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: ATOKA

PIT 3 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 300000 Average: 200000

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: ATOKA

HORIZONTAL HOLE 1

Sec 17 Twp 2S Rge 10E County ATOKA

Spot Location of End Point: S2 S2 SW SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 5316

Radius of Turn: 573

Direction: 175

Total Length: 7034

Measured Total Depth: 13250

True Vertical Depth: 6200

End Point Location from Lease,

Unit, or Property Line: 165

Notes:

Category

Description

DEEP SURFACE CASING

2/6/2018 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

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.

005 20466 NACHO 1-8/17H

Category	Description
HYDRAULIC FRACTURING	<p>4/18/2018 - 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: OCCWEB.COM/OG/OGFORMS.HTML; 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: FRACFOCUS.ORG</p>
MEMO	<p>2/6/2018 - G71 - PIT 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 3 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT</p>
PENDING CD - 201801552	<p>4/24/2018 - G75 - (640)(HOR) 8 & 17-2S-10E EXT 668237 MSSP, WDFD, HNTN COMPL. INT. (MSSP, HNTN) NLT 660' FB COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL (COEXIST SP. ORDER # 202239 HNTN 8-2S-10E) REC 4-2-2018 (DUNN)</p>
PENDING CD - 201801557	<p>4/24/2018 - G75 - (I.O.) 8 & 17-2S-10E EST MULTIUNIT HORIZONTAL WELL X201801552 MSSP, WDFD, HNTN (MSSP, HNTN ADJACENT COMMON SOURCES OF SUPPLY TO WDFD) 28% 8-2S-10E 72% 17-2S-10E NO OP. NAMED REC 4-2-2018 (DUNN)</p>
PENDING CD - 201801558	<p>4/24/2018 - G75 - (I.O.) 8 & 17-2S-10E X201801552 MSSP, WDFD, HNTN COMPL. INT. (8-2S-10E) NCT 2280' FSL, NCT 0' FSL, NCT 330' FWL COMPL. INT. (17-2S-10E) NCT 0' FNL, NCT 165' FSL, NCT 330' FWL NO OP. NAMED REC 4-2-2018 (DUNN)</p>



Well Location Plat

S.H.L. Sec. 7-2S-10E I.M.
B.H.L. Sec. 17-2S-10E I.M.

Operator: CANYON CREEK ENERGY

Lease Name and No.: NACHO 1-8/17H

API 005-20466 A

Footage: 2271' FSL - 250' FEL Gr. Elevation: 647'

Section: 7 Township: 2S Range: 10E I.M.

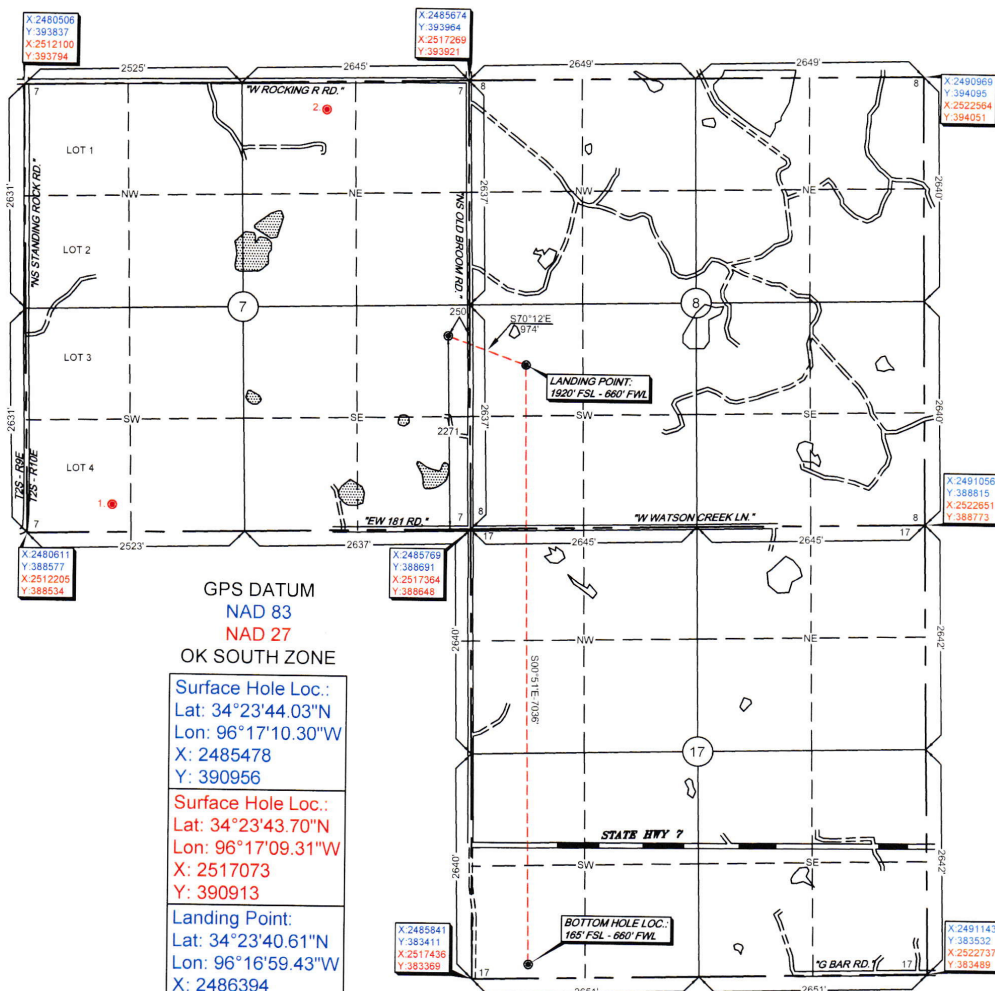
County: Atoka State of Oklahoma

Terrain at Loc.: Location fell in a pasture.



All bearings shown
are grid bearings

0' 875' 1750' 2625'
1" = 1750'



GPS DATUM

NAD 83

NAD 27

OK SOUTH ZONE

Surface Hole Loc.:
Lat: 34°23'44.03"N
Lon: 96°17'10.30"W
X: 2485478
Y: 390956

Surface Hole Loc.:
Lat: 34°23'43.70"N
Lon: 96°17'09.31"W
X: 2517073
Y: 390913

Landing Point:
Lat: 34°23'40.61"N
Lon: 96°16'59.43"W
X: 2486394
Y: 390626

Landing Point:
Lat: 34°23'40.29"N
Lon: 96°16'58.45"W
X: 2517989
Y: 390583

Bottom Hole Loc.:
Lat: 34°22'31.02"N
Lon: 96°16'59.61"W
X: 2486499
Y: 383591

Bottom Hole Loc.:
Lat: 34°22'30.69"N
Lon: 96°16'58.62"W
X: 2518094
Y: 383549

-Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS.
-NOTE: X and Y data shown hereon for Section Corners may NOT have been surveyed on-the-ground, and further, does NOT represent a true Boundary Survey.
-Quarter Section distances may be assumed from a Government Survey Plat or assumed at a proportionate distance from opposing section corners, or occupation thereof, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.

Survey and plat by:

Arkoma Surveying and Mapping, PLLC

P.O. Box 238 Wilburton, OK 74578

Ph. 918-465-5711 Fax 918-465-5030

Certificate of Authorization No. 5348

Expires June 30, 2018

Invoice #7589-B

Date Staked: 01/16/18 By: D.A.

Date Drawn: 01/23/18 By: K.B.

Add LP & BHL: 01/30/18 By: P.B.

Revise SHL: 02/05/18 By: R.M.

Revise BHL: 03/28/18 By: J.K.

Certification:

This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

Lance G. Mathis
LANCE G. MATHIS

03/28/18

OK LPLS 1664

