API NUMBER:	063	24808

Straight Hole   Stratigraphic Test

Approval Date:	06/15/2018
Expiration Date:	12/15/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 28   Twp: 6N   Rge: 10E   County: HUGHES

SPOT LOCATION: NE   SW   NE   SE   FEET FROM QUARTER: FROM **SOUTH**   FROM **EAST**

SECTION LINES: **1804**   **724**

Lease Name: THE DUKE   Well No: 1-28E   Well will be   724   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

DEREK E. PACE & DELLA M. WILSON
P.O. BOX 175
752 5TH ST.
CALVIN   OK   74531

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

	Name	Depth		Name	Depth
1	MISSISSIPPIAN	4930	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: 5480   Ground Elevation: 734   **Surface Casing: 1000**   Depth to base of Treatable Water-Bearing FM: 240

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

PIT 1 INFORMATION   Approved Method for disposal of Drilling Fluids:

Type of Pit System: ON SITE

Type of Mud System: AIR

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: 4

Liner not required for Category: 4

Pit Location is   ALLUVIAL

Pit Location Formation: ALLUVIUM

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

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

H. SEE MEMO

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**   located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is   ALLUVIAL

Pit Location Formation: ALLUVIUM

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**   located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is   ALLUVIAL

Pit Location Formation: ALLUVIUM

Notes:

Category	Description
DEEP SURFACE CASING	6/14/2018 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	6/14/2018 - 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
MEMO	6/14/2018 - G71 - PITS 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 3 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING	6/15/2018 - G57 - NA - STRATIGRAPHIC TEST
STRATIGRAPHIC TEST	6/15/2018 - G57 - THIS WELL HAS BEEN APPROVED AS A STRATIGRAPHIC TEST WITH THE INTENT TO SET SURFACE CASING ONLY. OPERATOR WILL FILE AN AMENDED FORM 1000 CHANGING THE TYPE OF DRILLING OPERATION AT A LATER DATE.

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.

CANYON CREEK ENERGY

Well Location Plat

S.H.L. Sec. 28-6N-10E I.M.
B.H.L. Sec. 34-6N-10E I.M.

Operator: CANYON CREEK ENERGY
Lease Name and No.: THE DUKE 1-27/34H
Footage: 1804' FSL - 724' FEL   Gr. Elevation: 734'
Section: 28   Township: 6N   Range: 10E   I.M.
County: Hughes   State of Oklahoma
Terrain at Loc.: Location fell in a flat pasture with timber.

API: 063 24808

All bearings shown are grid bearings.

0'   660'   1320'   1980'

1" = 1320'

GPS DATUM
NAD 83
NAD 27
OK SOUTH ZONE

Surface Hole Loc.:
Lat: 34°57'40.10"N
Lon: 96°15'00.11"W
X: 2492817
Y: 596945

Surface Hole Loc.:
Lat: 34°57'39.77"N
Lon: 96°14'59.09"W
X: 2524415
Y: 596897

Landing Point:
Lat: 34°57'35.31"N
Lon: 96°14'43.39"W
X: 2494217
Y: 596485

Landing Point:
Lat: 34°57'34.98"N
Lon: 96°14'42.37"W
X: 2525815
Y: 596437

Bottom Hole Loc.:
Lat: 34°56'30.58"N
Lon: 96°14'43.06"W
X: 2494358
Y: 589943

Bottom Hole Loc.:
Lat: 34°56'30.25"N
Lon: 96°14'42.04"W
X: 2525956
Y: 589895

X:2490830 Y:600387 X:2522428 Y:600339
X:2493470 Y:600429 X:2525067 Y:600381
X:2498760 Y:600526 X:2530357 Y:600478

2640'   2646'   2646'

"1st St."
"2nd St."
"3rd St."
"4th St."
"5th St."
"6th St."
"Commerce St."
"Oak St."
"Mulberry St."
"Canadian St."
"Walnut St."
"Pine St."
"E Cedar St."
"Elder St."

U.S. HWY 75
U.S. HWY 270

"EW 1415 RD."
"NS 3798 RD."

2639'
2639'
2639'

NW   NE
SW   SE

28   27

724'
S71°48'E-1474'

1804'

LANDING POINT:
1320' FSL - 660' FWL

2640'   2644'   2644'

X:2490957 Y:595111 X:2522555 Y:595063
X:2493600 Y:595154 X:2525197 Y:595106
X:2498882 Y:595249 X:2530480 Y:595201

19.

U.S. HWY 75

NW   NE

325   335
21.   18.

34

327
20.

S01°14'E-6544'

SW   SE

22.

BOTTOM HOLE LOC.:
50' FSL - 660' FWL

2636'
2636'
2639'
2639'

X:2493699 Y:589882 X:2525297 Y:589834
T6N - R10E
T5N - R10E
X:2498980 Y:589972 X:2530578 Y:589924

2641'   2641'

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 surveyed on-the-ground, and further, does NOT represent a true Boundary Survey. -NOTE: X and Y data shown herein 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 #7655-A
Date Staked: 03/01/18   By: D.A.
Date Drawn: 03/07/18   By: C.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.

03/23/18
LANCE G. MATHIS   OK LPLS 1664

PROFESSIONAL LAND SURVEYOR
LICENSED
LANCE G. MATHIS
1664
OKLAHOMA