

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

API NUMBER: 063 24807 A

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

Horizontal Hole Oil & Gas

Amend reason: AMD WELL NUMBER & CHANGE TO HORIZONTAL WELL

AMEND 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: 1793 734

Lease Name: THE DUKE Well No: 1-28/33H Well will be 734 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	WOODFORD	5300	7	
3	HUNTON	5480	8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201804479
201804480
201804483
201804484

Special Orders:

Total Depth: 12076 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: Yes

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

HORIZONTAL HOLE 1

Sec 33 Twp 6N Rge 10E County HUGHES

Spot Location of End Point: S2 S2 SE SE

Feet From: SOUTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 4912

Radius of Turn: 573

Direction: 179

Total Length: 6264

Measured Total Depth: 12076

True Vertical Depth: 5480

End Point Location from Lease,
Unit, or Property Line: 50

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

This permit does not address the right of entry or settlement of surface damages.

063 24807 THE DUKE 1-28/33H

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	<p>7/5/2018 - 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: OCCEWEB.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>6/14/2018 - G71 - PITS 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 3 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT</p>
PENDING CD - 201804479	<p>6/15/2018 - G57 - (I.O.) 28 & 33-6N-10E EST MULTIUNIT HORIZONTAL WELL X201804483 MSSP, WDFD, HNTN 28-6N-10E X201804484 MSSP, WDFD, HNTN 33-6N-10E (MSSP, HNTN ARE ADJACENT COMMON SOURCES OF SUPPLY TO THE WDFD) 28% 28-6N-10E 72% 33-6N-10E CANYON CREEK OPERATING, LLC. REC REC 6-25-2018 (JOHNSON)</p>
PENDING CD - 201804480	<p>6/15/2018 - G57 - (I.O.) 28 & 33-6N-10E X201804483 MSSP, WDFD, HNTN 28-6N-10E X201804484 MSSP, WDFD, HNTN 33-6N-10E COMPL. INT. (28-6N-10E) NLT 2000' FSL, NCT 0' FSL, NCT 330' FEL COMPL. INT. (33-6N-10E) NCT 0' FNL, NCT 165' FSL, NCT 330' FEL CANYON CREEK OPERATING, LLC. REC 6-25-2018 (JOHNSON)</p>
PENDING CD - 201804484	<p>6/15/2018 - G57 - (640)(HOR) 33-6N-10E EXT 618119 MSSP, WDFD, HNTN POE TO BHL (MSSP, HNTN) NLT 660' FB POE TO BHL (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL REC 6-25-2018 (JOHNSON)</p>
SPACING - 201804483	<p>6/15/2018 - G57 - (640)(HOR) 28-6N-10E EST MSSP, WDFD, HNTN POE TO BHL (MSSP, HNTN) NLT 660' FB POE TO BHL (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL (COEXIST WITH SP. ORDER #300858 HNTN E2) REC 6-25-2018 (JOHNSON)</p>

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.