

API NUMBER: 073 26859 A

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

Approval Date: 04/29/2022
Expiration Date: 10/29/2023

Multi Unit Oil & Gas

Amend reason: OCC CORRECTION: UPDATE ORDERS

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 29 Township: 16N Range: 5W County: KINGFISHER

SPOT LOCATION: ☐ NE ☐ NE ☐ NE ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 256 2396

Lease Name: FORMAN 1605 Well No: 2LOHX-29-32 Well will be 256 feet from nearest unit or lease boundary.

Operator Name: CANVAS ENERGY LLC Telephone: 4054788770; 4054264481; OTC/OCC Number: 16896 0

CANVAS ENERGY LLC
4700 GAILLARDIA PARKWAY STE 200
OKLAHOMA CITY, OK 73142-1839

STEPHEN R. FORMAN, INDIVIDUALLY & TRUSTEE OF THE
STEPHEN R. FORMAN REVOCABLE LIVING TRUST
PO BOX 58
KINGFISHER OK 73750

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	6850

Spacing Orders: 708793 Location Exception Orders: 728304 Increased Density Orders: 721563
708029
728305

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 17500 Ground Elevation: 1065

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 160

Deep surface casing has been approved

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

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 22-38266
H. (Other) SEE MEMO

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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 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: SALT PLAINS

PIT 2 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: SALT PLAINS

This permit does not address the right of entry or settlement of surface damages. The duration of this permit is 18 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.

MULTI UNIT HOLE 1						
Section: 32	Township: 16N	Range: 5W	Meridian: IM	Total Length: 10196		
County: KINGFISHER				Measured Total Depth: 17500		
Spot Location of End Point: S2 S2 S2 S2				True Vertical Depth: 7260		
Feet From: SOUTH		1/4 Section Line: 165		End Point Location from		
Feet From: WEST		1/4 Section Line: 2640		Lease,Unit, or Property Line: 165		

NOTES:

Category	Description
DEEP SURFACE CASING	[4/26/2022 - GC2] - 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	<p>[4/26/2022 - GC2] - OCC 165:10-3-10 REQUIRES:</p> <p>1) NOTICE SHALL BE GIVEN AT LEAST 5 BUSINESS DAYS PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS ON A HORIZONTAL WELL TO OPERATORS PRODUCING WELLS WITHIN 1 MILE OF THE COMPLETION INTERVAL OF THE SUBJECT WELL. THE NOTICE TO SUCH OPERATORS SHALL CONTAIN THE INFORMATION IN FORM 6000NOO. IF THE HYDRAULIC FRACTURING OPERATIONS SCHEDULE CHANGES AFTER NOTICE HAS BEEN PROVIDED, RESULTING IN A DELAY OF OPERATIONS OF MORE THAN 5 DAYS FROM THE INITIAL NOTICE, NEW NOTICE IS REQUIRED TO BE GIVEN;</p> <p>2) NOTICE WILL BE GIVEN TO THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES AT LEAST 48 HOURS PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCWEB.COM/OG/OGFORMS.HTML; AND,</p> <p>3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS IS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION OF HYDRAULIC FRACTURING OPERATIONS, FOUND AT FRACFOCUS.ORG</p>
INCREASED DENSITY - 721563	<p>[4/29/2022 - G56] - 29-16N-5W X708793 MSSP 2 WELLS NO OP NAMED 11/9/2021</p>
LOCATION EXCEPTION - 728304	<p>[12/15/2022 - G56] - (I.O.) 29 & 32-16N-5W X708793 MSSP 29-16N-5W X708029 MSSP 32-16N-5W COMPL INT (32-16N-5W) NCT 165' FSL, NCT 0' FNL, NCT 1980' FEL/FWL COMPL INT (29-16N-5W) NCT 0' FSL, NCT 165' FNL, NCT 1980' FEL/FWL CANVAS ENERGY, LLC 9/9/2022</p>
MEMO	[4/26/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 708029	<p>[4/29/2022 - G56] - (640)(HOR) 32-16N-5W EST MSSP POE TO BHL NCT 660' FB (COEXIST WITH SP # 59564/61637 MSSLM)</p>
SPACING - 708793	<p>[4/29/2022 - G56] - (640)(HOR) 29-16N-5W EST MSSP, OTHER POE TO BHL NCT 660' FB (COEXIST WITH SP # 59564/61637 MSSLM SE4, # 59564/61637/187296 MSSLM N2, SW4)</p>
SPACING - 728305	<p>[12/15/2022 - G56] - (I.O.) 29 & 32-16N-5W EST MULTIUNIT HORIZONTAL WELL X708793 MSSP 29-16N-5W X708029 MSSP 32-16N-5W 50% 29-16N-5W 50% 32-16N-5W CANVAS ENERGY, LLC 9/9/2022</p>

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