

API NUMBER: 029 21428

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

Approval Date: 07/27/2022

Expiration Date: 01/27/2024

Multi Unit

Oil & Gas

**PERMIT TO DRILL**

WELL LOCATION: Section: 23 Township: 3N Range: 10E County: COAL

SPOT LOCATION: SW SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 170 2331

Lease Name: D5R-I Well No: #2H Well will be 170 feet from nearest unit or lease boundary.

Operator Name: CANYON CREEK ENERGY ARKOMA LLC Telephone: 9185616737 OTC/OCC Number: 24379 0

CANYON CREEK ENERGY ARKOMA LLC  
615 EAST 4TH STREET  
TULSA, OK 74120-3017

RICK ROGERS  
13658 W US HIGHWAY 270  
MCALESTER OK 74501

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

Name	Code	Depth
1 WOODFORD	319WDFD	6900

Spacing Orders: 525291  
527332  
726868

Location Exception Orders: 726693

Increased Density Orders: 726498  
726500

Pending CD Numbers: No Pending

Working interest owners' notified: \*\*\*

Special Orders: No Special

Total Depth: 18000 Ground Elevation: 727

Surface Casing: 600

Depth to base of Treatable Water-Bearing FM: 450

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

Approved Method for disposal of Drilling Fluids:

E. Haul to Commercial pit facility	Sec. 14 Twn. 7N Rng. 9E Cnty. 63 Order No: 653875
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: 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: BOGGY

**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: BOGGY

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: 35	Township: 3N	Range: 10E	Meridian: IM	Total Length: 10000		
County: COAL				Measured Total Depth: 18000		
Spot Location of End Point: S2	S2	SE	SW	True Vertical Depth: 6900		
Feet From: <b>SOUTH</b>	1/4 Section Line: 165			End Point Location from		
Feet From: <b>WEST</b>	1/4 Section Line: 1980			Lease, Unit, or Property Line: 165		

# NOTES:

Category	Description
HYDRAULIC FRACTURING	<p>[7/26/2022 - 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: <a href="http://OCCEWEB.COM/OG/OGFORMS.HTML">OCCEWEB.COM/OG/OGFORMS.HTML</a>; 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 <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
INCREASED DENSITY - 726498	<p>[7/27/2022 - G56] - 26-3N-10E X525591 WDFD 3 WELLS CANYON CREEK ENERGY - ARKOMA, LLC 6/29/2022</p>
INCREASED DENSITY - 726500	<p>[7/27/2022 - G56] - 35-3N-10E X527332 WDFD 3 WELLS CANYON CREEK ENERGY - ARKOMA, LLC 6/29/2022</p>
LOCATION EXCEPTION - 726693	<p>[7/27/2022 - G56] - (I.O.) 26 &amp; 35-3N-10E X525591 WDFD, OTHERS 26-3N-10E X527332 WDFD, OTHERS 35-3N-10E COMPL INT (26-3N-10E) NCT 165' FNL, NCT 0' FSL, NCT 1320' FWL COMPL INT (35-3N-10E) NCT 0' FNL, NCT 165' FSL, NCT 1320' FWL CANYON CREEK ENERGY - ARKOMA, LLC 7/7/2022</p>
MEMO	<p>[7/26/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT</p>
SPACING - 525591	<p>[7/27/2022 - G56] - (640) 26-3N-10E VAC OTHER VAC 125417 WDFD, OTHERS EXT 525275 WDFD, OTHERS</p>
SPACING - 527332	<p>[7/27/2022 - G56] - (640) 35-3N-10E VAC OTHERS EXT OTHERS VAC 125417 WDFD, OTHERS NE4 VAC 293377 WDFD, OTHERS NW4, S2 EXT 525275 WDFD, OTHERS</p>
SPACING - 726868	<p>[7/27/2022 - G56] - (I.O.) 26 &amp; 35-3N-10E EST MULTIUNIT HORIZONTAL WELL X525591 WDFD, OTHERS 26-3N-10E X527332 WDFD, OTHERS 35-3N-10E 51% 26-3N-10E 49% 35-3N-10E NO OP NAMED 7/13/2022</p>

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029 21428 D5R-I #2H