

API NUMBER: 073 26881

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

Approval Date: 06/23/2022

Expiration Date: 12/23/2023

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 36 Township: 17N Range: 7W County: KINGFISHER

SPOT LOCATION: ☐ NW ☐ NW ☐ NE ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 206 1393

Lease Name: CORNER POCKET 1707 Well No: 2LOH-25 Well will be 206 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

TOMMY L. EDGAR & KAREN W. EDGAR
ROUTE 3, BOX 25
KINGFISHER OK 73750

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

Name	Code	Depth
1 MISSISSIPPIAN (LESS CHESTER)	359MSNLC	7335

Spacing Orders: 651853

Location Exception Orders: No Exceptions

Increased Density Orders: 726155

Pending CD Numbers: 202201630

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 12450 Ground Elevation: 1036

Surface Casing: 440

Depth to base of Treatable Water-Bearing FM: 190

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: 22-38328

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 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 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 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

Section: 25 Township: 17N Range: 7W Meridian: IM

Total Length: 4968

County: KINGFISHER

Measured Total Depth: 12450

Spot Location of End Point: NE NW NW NW

True Vertical Depth: 7840

Feet From: NORTH 1/4 Section Line: 165

End Point Location from

Feet From: WEST 1/4 Section Line: 380

Lease, Unit, or Property Line: 165

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.

NOTES:	
Category	Description
HYDRAULIC FRACTURING	<p>[5/19/2022 - 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: OCCEWEB.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 – 726155	<p>[6/23/2022 - GB6] - 25-17N-7W X651853 MSNLC 3 WELLS CANVAS ENERGY, L.L.C. 06/14/2022</p>
MEMO	[5/19/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD – CD2022-001630	<p>[6/23/2022 - GB6] - (I.O.) 25 -17N-7W X651853 MSNLC 25-17N-7W X165:10-3-28(C)(2)(B) MAY BE CLOSER THAN 600' TO HOLIDAY 25-1 (API# 073-22396) COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FWL NO OPER. NAMED REC. 05/23/2022 (THOMAS)</p>
SPACING – 651853	<p>[6/23/2022 - GB6] - (640)(HOR) 25-17N-7W EXT 635450 WDFD EST MSNLC, OTHER COMPL. INT. (MSNLC, OTHER) NCT 660' FB COMPL. INT. (WDFD) NCT 165' FSL, NCT 330' FEL, NCT 165' FNL, NCT 330' FWL (COEXIST SP. ORDER# 34429 BPMSU LESS MNNG, SP. ORDER# 105909 MISS)</p>

CANVAS ENERGY

COVER SHEET

SECTION: 36 TOWNSHIP: 17 N RANGE: 7 W I.M. WELL: CORNER POCKET 1707 2LOH-25
COUNTY: KINGFISHER COUNTY STATE: OKLAHOMA WELL: CORNER POCKET 1707 3LOHX-25
OPERATOR: CANVAS ENERGY, LLC WELL: CORNER POCKET 1707 4LOHX-25
4700 GAILLARDIA PKWY, SUITE 200
OKLAHOMA CITY, OK 73142 WELL: N/A

GPS DATUM NAD-27 OK NORTH ZONE						
NAME	NORTHING	EASTING	LATITUDE	LONGITUDE	WELL CALLS	S-T-R
CORNER POCKET 1707 2LOH-25	332106'	2028940'	N35.912322°	W97.902275°	206' FNL & 1,393' FWL	36, T 17 N - R 7 W
CORNER POCKET 1707 2LOH-25 LP	332475'	2027922'	N35.913336°	W97.905712°	165' FSL & 380' FWL	25, T 17 N - R 7 W
CORNER POCKET 1707 2LOH-25 BHL	337443'	2027853'	N35.926984°	W97.905928°	165' FNL & 380' FWL	25, T 17 N - R 7 W
CORNER POCKET 1707 3LOHX-25	332107'	2028955'	N35.912322°	W97.902225°	206' FNL & 1,408' FWL	36, T 17 N - R 7 W
CORNER POCKET 1707 3LOHX-25 LP	332479'	2029242'	N35.913344°	W97.901254°	165' FSL & 1,700' FWL	25, T 17 N - R 7 W
CORNER POCKET 1707 3LOHX-25 BHL	340254'	2029123'	N35.934704°	W97.901628°	2,640' FSL & 1,700' FWL	24, T 17 N - R 7 W
CORNER POCKET 1707 4LOHX-25	332107'	2028970'	N35.912322°	W97.902174°	206' FNL & 1,423' FWL	36, T 17 N - R 7 W
CORNER POCKET 1707 4LOHX-25 LP	332482'	2030530'	N35.913350°	W97.896902°	165' FSL & 2,260' FEL	25, T 17 N - R 7 W
CORNER POCKET 1707 4LOHX-25 BHL	340256'	2030460'	N35.934707°	W97.897111°	2,640' FSL & 2,260' FEL	24, T 17 N - R 7 W

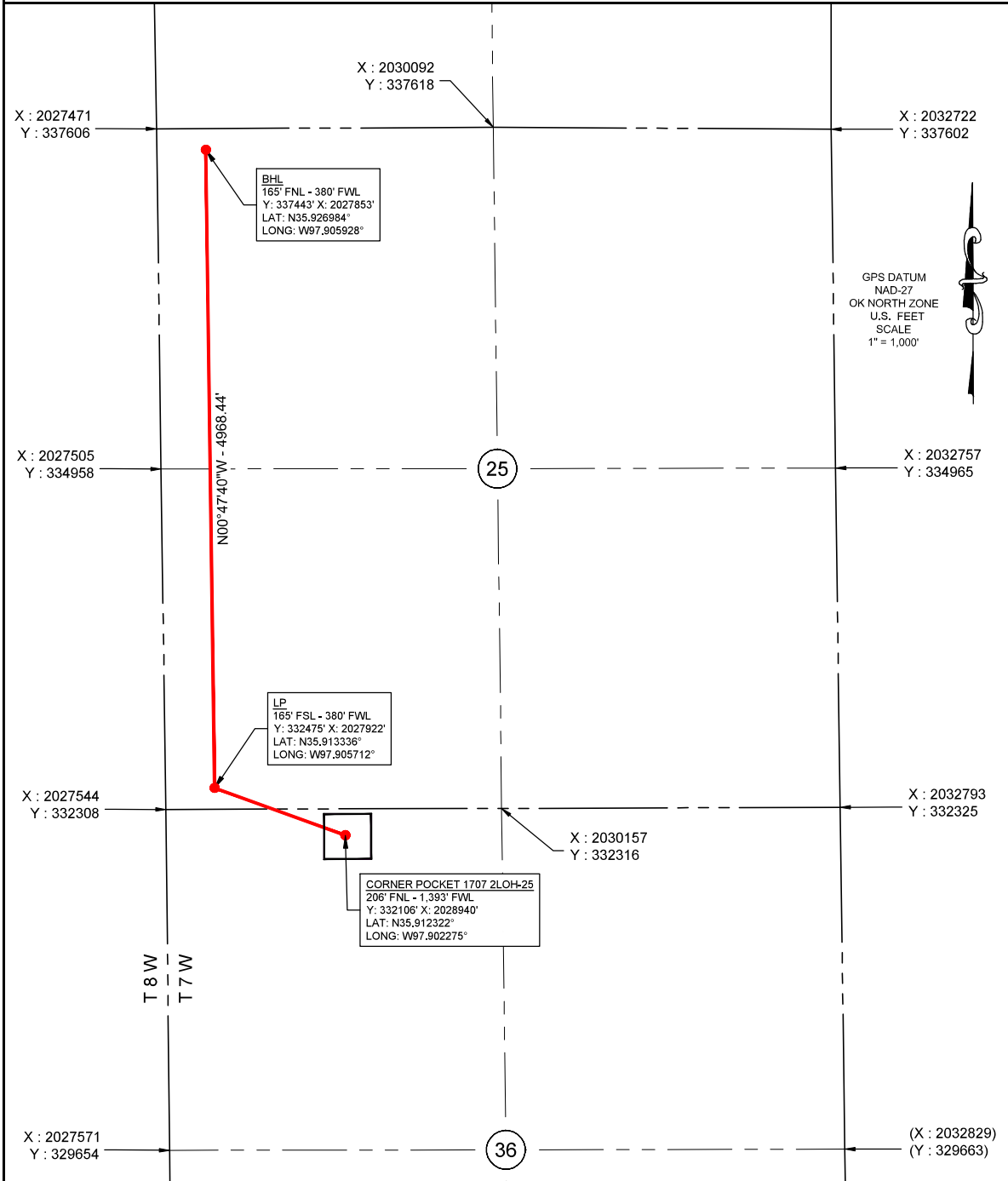
PAN-OP SURVEY & CONSULTING <small>PREPARED BY: PAN-OP SURVEY & CONSULTING, LLC 11900 N MACARTHUR BLVD. SUITE C2 OKLAHOMA CITY, OK 73162 CAF 5166 Exp: 06/30/2021</small>	SECTION: 36	TOWNSHIP: 17 N	RANGE: 7 W I.M.	REV.	DATE	BY	DESCRIPTION
	COUNTY: KINGFISHER COUNTY		STATE: OKLAHOMA				
	OPERATOR: CANVAS		AFE: N/A				
	DATE STAKED: 4/27/22		PAN-OP: 22-0056-001				
	DATE DWN: 5/3/22	DWN BY: ERW	CHK'D BY: MVA				
	SHEET NO.: 1 OF 9	SHEET SIZE: 8.5X14	EXHIBIT: A				

CANVAS ENERGY

CORNER POCKET 1707 2LOH-25

SECTION: 36	TOWNSHIP: 17 N	RANGE: 7 W I.M.
COUNTY: KINGFISHER COUNTY	STATE: OKLAHOMA	
OPERATOR: CANVAS	AFE: N/A	
DATE STAKED: 4/27/22	PAN-OP: 22-0056-002	
DATE DWN: 5/3/22	DWN BY: ERW	CHK'D BY: MVA
SHEET NO.: 2 OF 9	SHEET SIZE: 8.5X14	EXHIBIT: B

WELL LOCATION PLAT



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 PAN-OP 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.

PAN-OP
SURVEY & CONSULTING

PREPARED BY:
PAN-OP SURVEY & CONSULTING, LLC
11900 N MACARTHUR BLVD,
SUITE C2
OKLAHOMA CITY, OK 73162
C# 5165
Exp: 06/30/2021

LEGEND

—	DRILL PATH
—	WELL PAD
----	SECTION LINE
- - - -	1/4 SEC LINE

SCALE: 1" = 1,000'

CERTIFICATE:

I, CORY D. CULPEPPER AN OKLAHOMA LICENSED LAND SURVEYOR AND AN AUTHORIZED AGENT OF PAN-OP SURVEY & CONSULTING, LLC, DO HERBY CERTIFY TO THE INFORMATION SHOWN HEREIN.

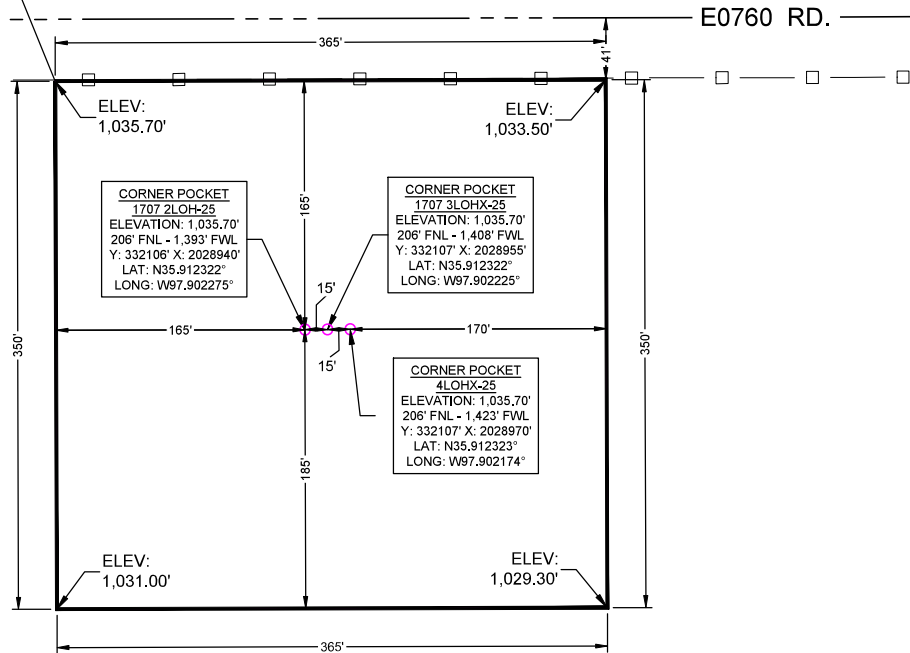
Cory D. Culpepper
Oklahoma RPLS No. 1980
5/3/2022



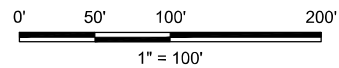
CANVAS ENERGY
CORNER POCKET 1707
2LOH-25, 3LOHX-25 & 4LOHX-25
NW/4 SEC. 36, T 17 N - R 7 W
KINGFISHER COUNTY, OKLAHOMA

PLAT

THIS POINT LIES
41' S. & 1,230' E.
OF THE NW/4 SEC. 36
LAT: N35.912775°
LONG: W97.902833°



NW/4 SEC. 36, T 17 N - R 7 W



PAN-OP
SURVEY & CONSULTING

PREPARED BY:
PAN-OP SURVEY & CONSULTING, LLC
11900 N MACARTHUR BLVD.
SUITE C2
OKLAHOMA CITY, OK 73162
CA# 8166
Exp: 06/30/2021

LEGEND

——— WELL PAD
----- SECTION LINE
----- 1/4 SEC LINE
----- BOUNDARY

SCALE: 1" = 100'

SECTION: 36	TOWNSHIP: 17 N	RANGE: 7 W I.M.
COUNTY: KINGFISHER COUNTY	STATE: OKLAHOMA	
OPERATOR: CANVAS	AFE: N/A	
DATE STAKED: 4/27/22	PAN-OP: 22-0056-005	
DATE DWN: 5/3/22	DWN BY: ERW	CHK'D BY: MVA
SHEET NO.: 5 OF 9	SHEET SIZE: 8.5X14	EXHIBIT: E