

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

API NUMBER: 017 25833 A

Approval Date: 07/29/2022
Expiration Date: 01/29/2024

Horizontal Hole Oil & Gas

Amend reason: AMEND BHL

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 04 Township: 11N Range: 7W County: CANADIAN

SPOT LOCATION: NE NE NE NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 226 2385

Lease Name: BAKER 1107 Well No: 1SMH-4 Well will be 226 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

THE SHARON MENZ LIVING TRUST
15 CLARK CIRCLE
SHAWNEE OK 74804

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

Name	Code	Depth
1 MISSISSIPPI LIME	351MSSL	9870

Spacing Orders: 213530

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202101464
202101468

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 15000

Ground Elevation: 1372

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 360

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: 22-38413

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: DOG CREEK

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: DOG CREEK

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.

HORIZONTAL HOLE 1

Section: 4	Township: 11N	Range: 7W	Meridian: IM	Total Length: 5018
	County: CANADIAN			Measured Total Depth: 15000
Spot Location of End Point: SW	SE	SE	SW	True Vertical Depth: 10090
Feet From: SOUTH		1/4 Section Line: 150		End Point Location from
Feet From: WEST		1/4 Section Line: 2166		Lease,Unit, or Property Line: 150

NOTES:

Category	Description
DEEP SURFACE CASING	[6/30/2022 - 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	[6/30/2022 - GC2] - OCC 165:10-3-10 REQUIRES: 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; 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, 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
MEMO	[6/30/2022 - GC2] - CLOSED SYSTEM=STEEL PITS (REQUIRED - SIX MILE CREEK), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING – CD2021-001464	[7/29/2022 - GB6] - (I.O.) 4-11N-7W X213530 MSSLM COMPL. INT. NCT 150' FSL, NCT 150' FNL, NCT 660' FWL NO OPER. NAMED REC. 10/29/2021 (MOORE) AFFIRMED 04/07/2022 (PRESLAR)
PENDING – CD202101468	[7/29/2022 - GB6] - (I.O.) 4-11N-7W X213530 MSSLM 4 WELLS NO OPER. NAMED REC. 10/29/2021 (MOORE) AFFIRMED 04/07/2022 (PRESLAR)
SPACING – 213530	[7/29/2022 - GB6] - (640) 4-11N-7W EST OTHERS EXT OTHERS EXT 120122 CSTR EXT 139291/166482 MSSLM

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.