

API NUMBER: 017 25742 B

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

Approval Date: 12/15/2021  
Expiration Date: 06/15/2023

Horizontal Hole Oil & Gas

Amend reason: OCC CORRECTION - CHANGE FORMATION  
NAME

**AMEND PERMIT TO DRILL**

WELL LOCATION: Section: 18 Township: 12N Range: 6W County: CANADIAN

SPOT LOCATION: SE SE SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 257 2356

Lease Name: HUNTER 1206 Well No: 3LMH-18 Well will be 257 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

HASKELL LEMON CONSTRUCTION CO.  
PO BOX 75608  
OKLAHOMA CITY OK 73147-0608

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

Name	Code	Depth
1 MISSISSIPPI	351MISS	8886

Spacing Orders: 130956

Location Exception Orders: 720521

Increased Density Orders: 720468

Pending CD Numbers: No Pending

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

Special Orders: No Special

Total Depth: 14500

Ground Elevation: 1314

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 300

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: 21-38010  
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: BED AQUIFER

Pit Location Formation: DUNCAN

**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: BED AQUIFER

Pit Location Formation: DUNCAN

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: 18      Township: 12N      Range: 6W      Meridian: IM      Total Length: 4970  
                          County: CANADIAN      Measured Total Depth: 14500  
 Spot Location of End Point: NW      NW      NW      NE      True Vertical Depth: 9170  
                          Feet From: **NORTH**      1/4 Section Line: 150      End Point Location from  
                          Feet From: **WEST**      1/4 Section Line: 2620      Lease, Unit, or Property Line: 150

## NOTES:

Category	Description
DEEP SURFACE CASING	[12/14/2021 - 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>[12/14/2021 - 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 - 720468	<p>[12/15/2021 - GC2] - 18-12N-6W</p> <p>X130956 MISS</p> <p>3 WELLS</p> <p>CHAPARRAL ENERGY, LLC</p> <p>9-8-2021</p>
LOCATION EXCEPTION - 720521 (202101567)	<p>[12/15/2021 - GC2] - (I.O.) 18-12N-6W</p> <p>X130956 MISS</p> <p>X165:10-3-28(C)(2)(B) MAY BE CLOSER THAN 600' TO WHITE 1 WELL</p> <p>COMPL. INT. NCT 150' FNL, NCT 150' FSL, NCT 330' FEL</p> <p>CHAPARRAL ENERGY, LLC</p> <p>9-10-2021</p>
MEMO	[12/14/2021 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 130956	<p>[12/15/2021 - GC2] - (640) 18-12N-6W</p> <p>EST OTHERS</p> <p>EXT 127748 MISS</p>