

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

API NUMBER: 101 22947

Approval Date: 03/05/2019

Expiration Date: 09/05/2020

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 02 Twp: 14N Rge: 15E

County: MUSKOGEE

SPOT LOCATION: ☐ NE ☐ NW ☐ SW ☐ NW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 1155 495

Lease Name: SOUTH ALBERT

Well No: 4

Well will be 495 feet from nearest unit or lease boundary.

Operator Name: CANOK INTERNATIONAL INC

Telephone: 9182674243

OTC/OCC Number: 16202 0

CANOK INTERNATIONAL INC
PO BOX 38
BEGGS, OK 74421-0038

HAROLD HELM
2306 WESTGATE
HOUSTON TX 77019

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

| | Name | Depth | | Name | Depth |
|---|--------------|-------|----|--------|-------|
| 1 | BARTLESVILLE | 730 | 6 | VIOLA | 2290 |
| 2 | BOOCH | 1175 | 7 | WILCOX | 2345 |
| 3 | DUTCHER | 1575 | 8 | | |
| 4 | GILCREASE | 1607 | 9 | | |
| 5 | MISSISSIPPI | 2010 | 10 | | |

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 2500

Ground Elevation: 641

Surface Casing: 210

Depth to base of Treatable Water-Bearing FM: 160

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: ON SITE

A. Evaporation/dewater and backfilling of reserve pit.

Type of Mud System: AIR

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: 4

Liner not required for Category: 4

Pit Location is BED AQUIFER

Pit Location Formation: SENORA

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

Notes:

This permit does not address the right of entry or settlement of surface damages.

The duration of this permit is SIX 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.

| Category | Description |
|----------------------|--|
| HYDRAULIC FRACTURING | <p>3/5/2019 - G71 - OCC 165:10-3-10 REQUIRES:</p> <p>1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;</p> <p>2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: OCCWEB.COM/OG/OGFORMS.HTML; AND,</p> <p>3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK: FRACFOCUS.ORG</p> |
| SPACING | 3/5/2019 - GB1 - FORMATIONS UNSPACED, 160-ACRE LEASE NW4 |