

API NUMBER: 063 24897 B

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

Approval Date: 05/31/2019
Expiration Date: 11/30/2020

Multi Unit Oil & Gas

Amend reason: ADD FORMATION

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 22 Township: 6N Range: 11E County: HUGHES

SPOT LOCATION: SE SE SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 182 2496

Lease Name: BONELL Well No: 4-27/34H Well will be 182 feet from nearest unit or lease boundary.
Operator Name: CANYON CREEK ENERGY ARKOMA LLC Telephone: 9187794949 OTC/OCC Number: 24379 0

CANYON CREEK ENERGY ARKOMA LLC
2431 E 61ST ST STE 400
TULSA, OK 74136-1237

D & D HUGHES, LLC
2601 PIONEER LANE
MOORE OK 73160

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	5790
2	WOODFORD	319WDFD	6295

Spacing Orders: 679022 Location Exception Orders: 708303 Increased Density Orders: 699057
679023 699058
708302

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 17337 Ground Elevation: 779 Surface Casing: 350 Depth to base of Treatable Water-Bearing FM: 240

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

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

F. Haul to Commercial soil farming facility: Sec. 14 Twn. 7N Rng. 9E Cnty. 63 Order No: 551649

PIT 1 INFORMATION

Type of Pit System: ON SITE

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).

PIT 2 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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: BED AQUIFER

Pit Location Formation: SENORA

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.

PIT 3 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:** SENORA**MULTI UNIT HOLE 1**

Section: 34 Township: 6N Range: 11E

Total Length: 9888

County: HUGHES

Measured Total Depth: 17337

Spot Location of End Point: SW SW SE SE

True Vertical Depth: 6359

Feet From: **SOUTH** 1/4 Section Line: 82

End Point Location from

Feet From: **EAST** 1/4 Section Line: 1060

Lease, Unit, or Property Line: 82

NOTES:

Category	Description
HYDRAULIC FRACTURING	6/3/2019 - G71 - OCC 165:10-3-10 REQUIRES: 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; 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: OCCEWEB.COM/OG/OGFORMS.HTML ; AND, 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
INCREASED DENSITY - 699057 (201902991)	4/3/2020 - G56 - 27-6N-11E X679022 WDFD 3 WELLS CANYON CREEK ENERGY - ARKOMA, LLC 7/11/2019
INCREASED DENSITY - 699058 (201902992)	4/3/2020 - G56 - 34-6N-11E X679023 WDFD 3 WELLS CANYON CREEK ENERGY - ARKOMA, LLC 7/11/2019
LOCATION EXCEPTION - 708303 (201902990)	4/3/2020 - G56 - (F.O.) 27 & 34-6N-11E X679022 MSSP, WDFD 27-6N-11E X679023 WDFD 34-6N-11E SHL (22-6N-11E) 182' FSL, 2496' FWL COMPL. INT. (27-6N-11E) (FIRST PERF WDFD) 254' FNL, 1119' FEL (LAST PERF WDFD) 1392' FSL, 1108' FEL (FIRST PERF MSSP) 1392' FSL, 1108' FEL (LAST PERF MSSP) 1148' FSL, 1103' FEL (FIRST PERF WDFD) 1148' FSL, 1103' FEL COMPL. INT. (34-6N-11E) (LAST PERF WDFD) 172' FSL, 1064' FEL CANYON CREEK ENERGY OPERATING, LLC 1/31/2020
MEMO	5/30/2019 - G71 - PIT 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 3 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT
SPACING - 679022	4/3/2020 - G56 - (640)(HOR) 27-6N-11E EST MSSP, WDFD COMPL. INT. (MSSP) NLT 660' FB COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL (COEXIST SP. ORDER # 503720 MSSP, WDFD)

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.

SPACING - 679023	4/3/2020 - G56 - (640)(HOR) 34-6N-11E EST MSSP, WDFD COMPL. INT. (MSSP) NLT 660' FB COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL (COEXIST SP. ORDER # 540027 MSSP, WDFD)
SPACING - 708302 (201902989)	4/3/2020 - G56 - (F.O.) 27 & 34-6N-11E EST MULTIUNIT HORIZONTAL WELL X679022 MSSP, WDFD 27-6N-11E X679023 WDFD 34-6N-11E (MSSP IS ADJACENT COMMON SOURCE OF SUPPLY TO WDFD) 49.6601% 27-6N-11E 50.3399% 34-6N-11E CANYON CREEK ENERGY - ARKOMA, LLC 1/31/2020

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