

API NUMBER: 151 24617

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

Approval Date: 01/19/2023

Expiration Date: 07/19/2024

Multi Unit

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 28 Township: 24N Range: 13W County: WOODS

SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 180 1579

Lease Name: GROUSE 2413

Well No: 1UOH-33-4A

Well will be 180 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

PRESTON C. JONES & CHRISTINA D. JONES
46413 BECKHAM ROAD
ALINE OK 73716

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	6600
2	MISSISSIPPI	351MISS	6700

Spacing Orders: 271679
673623
731054

Location Exception Orders: 731053

Increased Density Orders: 731376
731377

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 15000

Ground Elevation: 1455

Surface Casing: 400

Depth to base of Treatable Water-Bearing FM: 150

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: 22-38715

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: 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 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: FLOWERPOT

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: FLOWERPOT

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.

MULTI UNIT HOLE 1

Section: 4	Township: 23N	Range: 13W	Meridian: IM	Total Length: 8298
	County: WOODS			Measured Total Depth: 15000
Spot Location of End Point: NE	NW	NW	SW	True Vertical Depth: 6900
Feet From: SOUTH		1/4 Section Line: 2318		End Point Location from
Feet From: WEST		1/4 Section Line: 380		Lease, Unit, or Property Line: 380

NOTES:

Category	Description
HYDRAULIC FRACTURING	<p>[11/14/2022 - 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 FRACTURING OPERATIONS. FORM 6000NHF SHALL BE FOUND HERE: HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS; 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 - 731376 (CD2022-004577)	<p>[01/19/2023 - GB6] - 4-23N-13W X271679 MISS 1 WELL CANVAS ENERGY LLC 01/13/2023</p>
INCREASED DENSITY - 731377 (CD2022-004579)	<p>[01/19/2023 - GB6] - 33-24N-13W X673623 MSSP 1 WELL CANVAS ENERGY LLC 01/13/2023</p>
LOCATION EXCEPTION - 731053 (CD2022-004575)	<p>[01/19/2023 - GB6] - (I.O.) 4-23N-13W & 33-24N-13W X673623 MSSP 33-24N-13W X271679 MISS 4-23N-13W X165: 10-3-28(C)(2)(B) MSSP/MISS, MAY BE CLOSER THAN 600' TO GISSON 4-33, DUGAN 1-33, AND RICH 1-4 COMPL INT (33-24N-13W) NCT 165' FNL, NCT 0' FSL, NCT 330' FWL COMPL INT (4-23N-13W) NCT 0' FNL, NCT 165' FSL, NCT 330' FWL CANVAS ENERGY LLC 12/30/2022</p>
MEMO	<p>[11/14/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT</p>
SPACING - 271679	<p>[11/18/2022 - GB1] - (640) 4-23N-13W EXT OTHERS EXT 58359 MISS</p>
SPACING - 673623	<p>[11/18/2022 - GB1] - (640)(HOR) 33-24N-13W EXT 613254 MSSP COMPL INT NCT 660' FB</p>
SPACING - 731054 (CD2022-004576)	<p>[01/19/2023 - GB6] - (I.O.) 4-23N-13W & 33-24N-13W EST MULTIUNIT HORIZONTAL WELL X673623 MSSP 33-24N-13W X271679 MISS 4-23N-13W 64% 33-24N-13W 36% 4-23N-13W CANVAS ENERGY LLC 12/30/2022</p>