

API NUMBER: 029 21417 A

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

Approval Date: 06/09/2022
Expiration Date: 12/09/2023

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 31 Township: 1S Range: 11E County: COAL

SPOT LOCATION: ☐ NW ☐ SW ☐ SE ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 339 1463

Lease Name: KELLY Well No: 6/7-3H Well will be 339 feet from nearest unit or lease boundary.

Operator Name: CANYON CREEK ENERGY ARKOMA LLC Telephone: 9185616737 OTC/OCC Number: 24379 0

CANYON CREEK ENERGY ARKOMA LLC
615 EAST 4TH STREET
TULSA, OK 74120-3017

ERNEST FANNING AND PEGGY FANNING AS TRUSTEES OF THE
FANNING FAMILY REVOCABLE TRUST, DATED NOVEMBER 4
38137 CR 1780
COALGATE OK 74538

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

Name	Code	Depth
1 WOODFORD	319WDFD	8750

Spacing Orders: 529078

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202201781
202201782
202201788
202201790

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 18500

Ground Elevation: 599

Surface Casing: 1000

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: No

Approved Method for disposal of Drilling Fluids:

E. Haul to Commercial pit facility	Sec. 14 Twn. 7N Rng. 9E Cnty. 63 Order No: 721553
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: MCALESTER

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: MCALESTER

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: 7	Township: 2S	Range: 11E	Meridian: IM	Total Length: 10244		
County: ATOKA				Measured Total Depth: 18500		
Spot Location of End Point:		S2	S2	SE	SW	True Vertical Depth: 9000
Feet From: SOUTH		1/4 Section Line: 165			End Point Location from	
Feet From: WEST		1/4 Section Line: 1980			Lease,Unit, or Property Line: 165	

NOTES:

Category	Description
DEEP SURFACE CASING	[6/1/2022 - 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	<p>[6/1/2022 - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCWEB.COM/OG/OGFORMS.HTML; 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>
MEMO	[6/1/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202201781	<p>[6/9/2022 - G56] - (I.O.) 6 & 7-2S-11E EST MULTIUNIT HORIZONTAL WELL X529078 WDFD 50% 6-2S-11E 50% 7-2S-11E NO OP NAMED REC 6/6/2022 (MOORE)</p>
PENDING CD - 202201782	<p>[6/9/2022 - G56] - (I.O.) 6 & 7-2S-11E X529078 WDFD COMPL INT (6-2S-11E) NCT 0' FSL, NCT 165' FNL, NCT 1320' FWL COMPL INT (7-2S-11E) NCT 165' FSL, NCT 0' FNL, NCT 1320' FWL NO OP NAMED REC 6/6/2022 (MOORE)</p>
PENDING CD - 202201788	<p>[6/9/2022 - G56] - 6-2S-11E X529078 WDFD 4 WELLS NO OP NAMED REC 6/6/2022 (MOORE)</p>
PENDING CD - 202201790	<p>[6/9/2022 - G56] - 7-2S-11E X529078 WDFD 4 WELLS NO OP NAMED REC 6/6/2022 (MOORE)</p>
SPACING - 529078	<p>[6/9/2022 - G56] - (640) 6 & 7-2S-11E EST OTHER EXT 526001 WDFD, OTHERS</p>

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Well Location Plat

S.H.L. Sec. 31-1S-11E I.M.
B.H.L. Sec. 7-2S-11E I.M.

Operator: CANYON CREEK ENERGY
Lease Name and No.: KELLEY 6/7-3H
Surface Hole Location: 339' FSL - 1463' FWL Gr. Elevation: 599'
NW/4-SW/4-SE/4-SW/4 Section: 31 Township: 1S Range: 11E I.M.
Bottom Hole Location: 165' FSL - 1980' FWL
SE/4-SW/4-SE/4-SW/4 Section: 7 Township: 2S Range: 11E I.M.
County: Coal State of Oklahoma
Terrain at Loc.: Location fell in open pasture, large hill on Northeast side of location.



All bearings shown
are grid bearings.

0' 750' 1500' 2250'
1" = 1500'

GPS DATUM

NAD 83

NAD 27

OK SOUTH ZONE

Surface Hole Loc.:
Lat: 34°25'09.77"N
Lon: 96°11'34.62"W
Lat: 34.41937978
Lon: -96.19295111
X: 2513447
Y: 400112

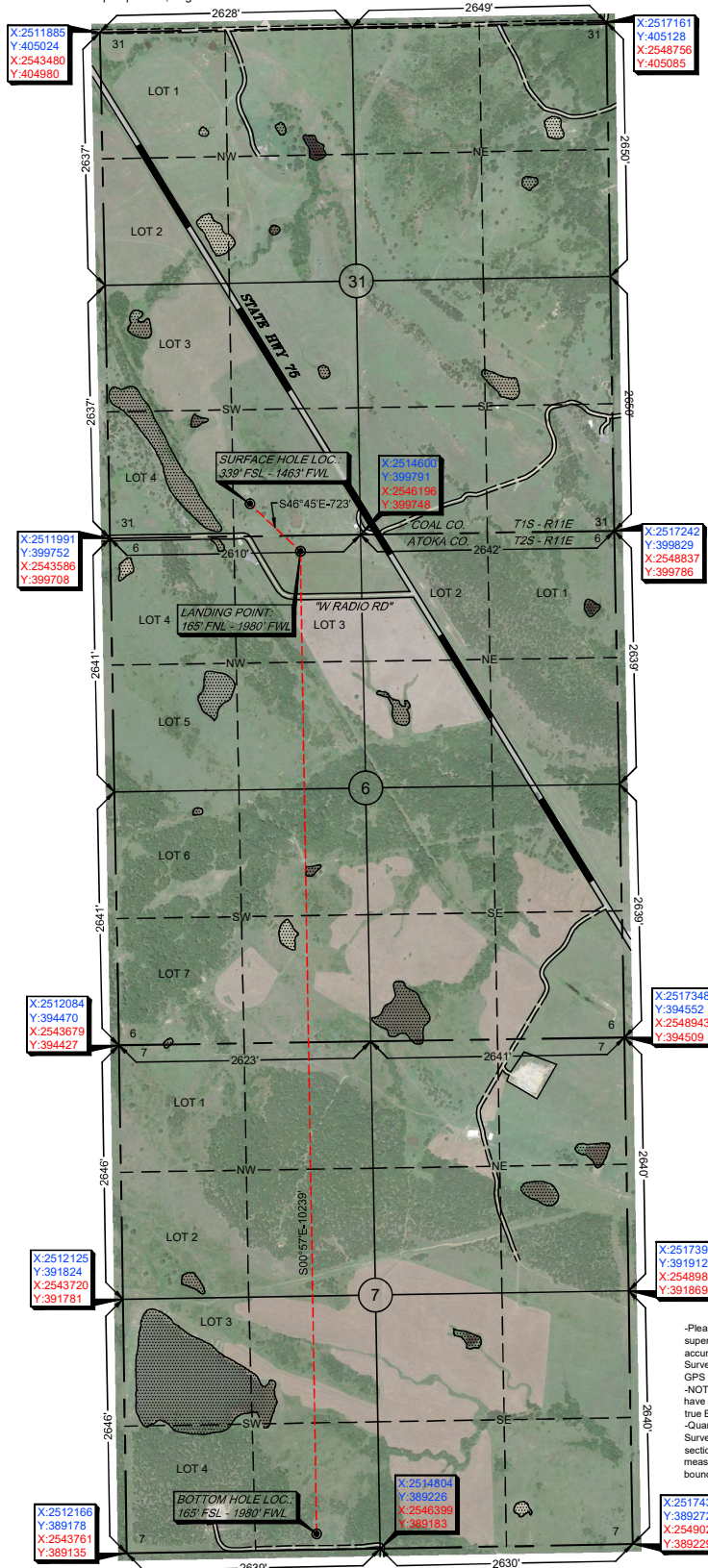
Surface Hole Loc.:
Lat: 34°25'09.44"N
Lon: 96°11'33.64"W
Lat: 34.41928796
Lon: -96.19267898
X: 2545042
Y: 400069

Landing Point:
Lat: 34°25'04.77"N
Lon: 96°11'28.44"W
Lat: 34.41799195
Lon: -96.19123393
X: 2513974
Y: 399617

Landing Point:
Lat: 34°25'04.44"N
Lon: 96°11'27.46"W
Lat: 34.41790013
Lon: -96.19096188
X: 2545569
Y: 399573

Bottom Hole Loc.:
Lat: 34°23'23.49"N
Lon: 96°11'28.61"W
Lat: 34.38985807
Lon: -96.19128103
X: 2514143
Y: 389379

Bottom Hole Loc.:
Lat: 34°23'23.16"N
Lon: 96°11'27.64"W
Lat: 34.38976648
Lon: -96.19100978
X: 2545738
Y: 389336



-Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS.
-NOTE: X and Y data shown hereon for Section Corners may NOT have been surveyed on-the-ground, and further, does NOT represent a true Boundary Survey.
-Quarter Section distances may be assumed from a Government Survey Plat or assumed at a proportionate distance from opposing section corners, or occupation thereof, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.

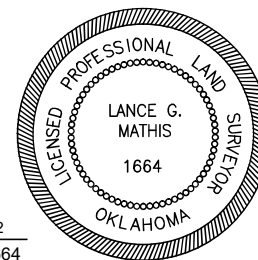
Survey and plat by:
Arkoma Surveying and Mapping, PLLC
P.O. Box 238 Wilburton, OK 74578
Ph. 918-465-5711 Fax 918-465-5030
Certificate of Authorization No. 5348
Expires June 30, 2022

Invoice #10-001-A-B
Date Staked: 05/25/2022 By: A.M.
Date Drawn: 05/20/2022 By: J.L.

Certification:

This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

LANCE G. MATHIS 05/26/2022
OK LPLS 1664





Well Location Plat

S.H.L. Sec. 31-1S-11E I.M.
B.H.L. Sec. 7-2S-11E I.M.

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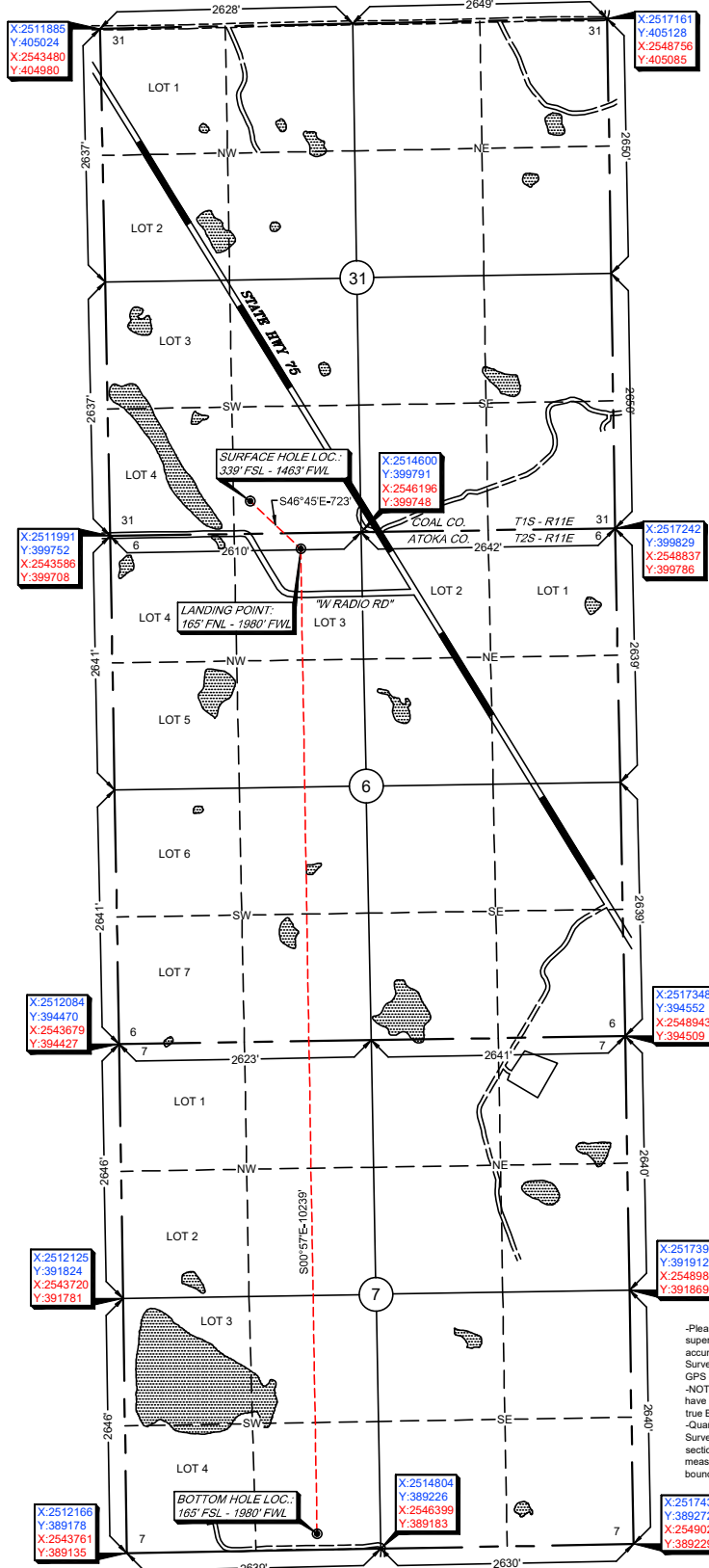
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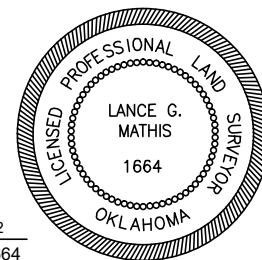
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05/26/2022
OK LPLS 1664



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Date Drawn: 05/20/2022 By: J.L.



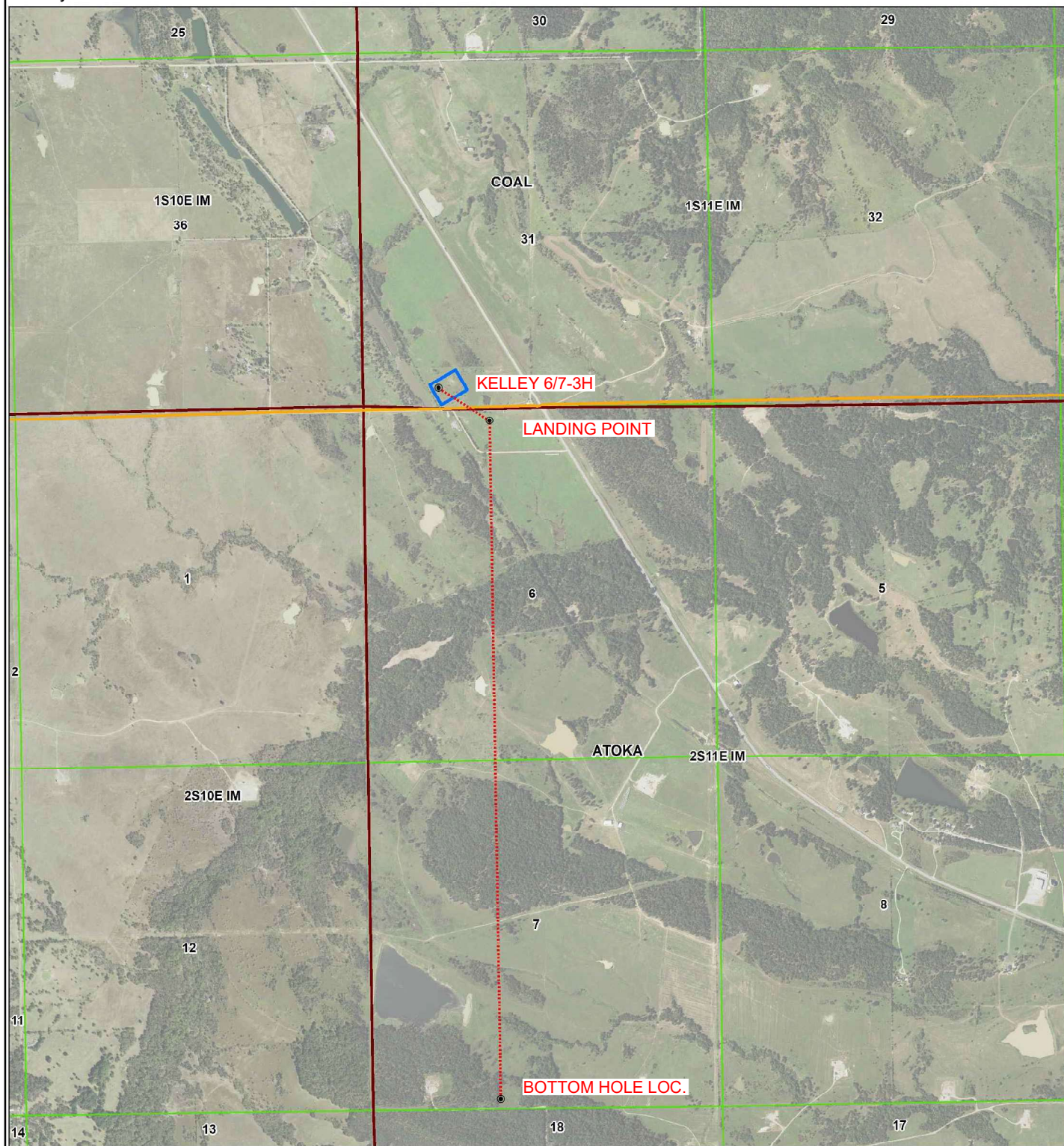
Anti-Collision

Operator: CANYON CREEK ENERGY
Lease Name and No.: KELLEY 6/7-3H
Surface Hole Location: 339' FSL - 1463' FWL
Sec. 31 Twp. 1S Rng. 11E I.M.
Landing Point: 165' FNL -1980' FWL
Sec. 6 Twp. 2S Rng. 11E I.M.
Bottom Hole Location: 165' FSL - 1980' FWL
Sec. 7 Twp. 2S Rng. 11E I.M.
County: Coal State of Oklahoma

Sec(s). 31-1S-11E I.M.
Sec(s). 6 & 7-2S-11E I.M.



0 1,000 2,000
Feet





**CANYON
CREEK
ENERGY**

Topographic Vicinity Map

Operator: CANYON CREEK ENERGY

Lease Name and No.: KELLEY 6/7-3H

Surface Hole Location: 339' FSL - 1463' FWL

Sec. 31 Twp. 1S Rng. 11E I.M.

Landing Point: 165' FNL -1980' FWL

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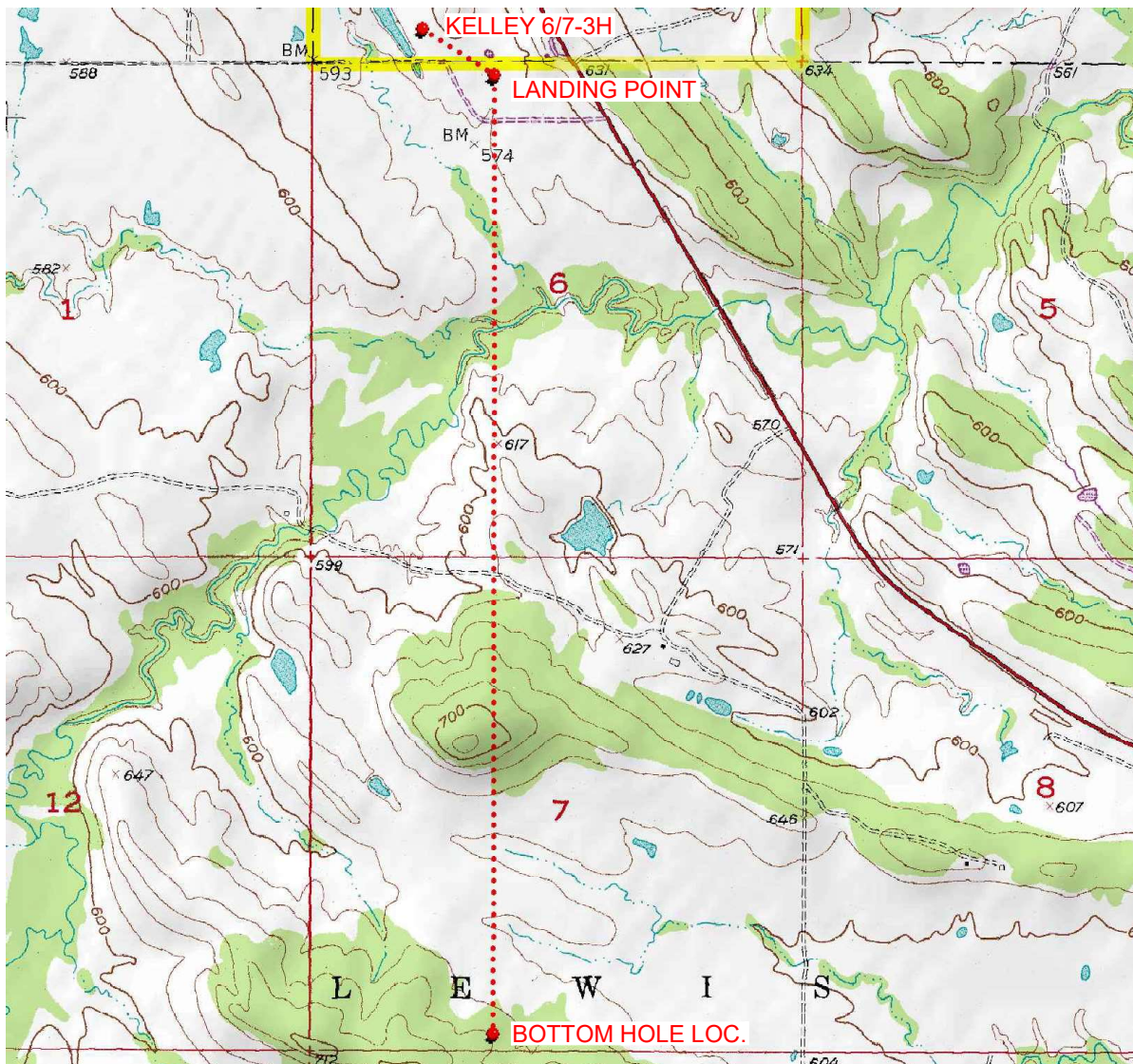
Sec. 7 Twp. 2S Rng. 11E I.M.

County: Coal State of Oklahoma

Ground Elevation at Surface Hole Location: 599'



Scale 1" = 2000'
Contour Interval: 20'



Provided by:

Arkoma Surveying and Mapping, PLLC

P.O. Box 238 Wilburton, OK 74578

Ph. 918-465-5711 Fax 918-465-5030

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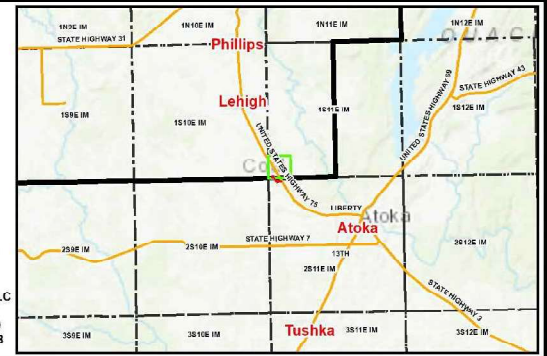
Date Staked: 04/21/2022

The purpose of this map is to verify the location and elevation as staked on the ground and to show the surrounding Topographic features. The footage shown hereon is only as SCALED onto a U.S.G.S. Topographic Map.

Please note that this location was staked carefully on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed.

Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined.

County Highway Vicinity Map



Job #:10-001-A-B

Operator: CANYON CREEK ENERGY

Lease Name and No.: KELLEY 6/7-3H

Accessibility: From the Southeast.

Directions: From the junction of State Highway 75 & "E1790 Rd." in Atoka CO., OK, go 0.5miles West on "E1790 Rd." to the SW/4 of Section 31-1S-11E with the Proposed Site being on the North side of "E1790 Rd."

1 inch = 0.25 mile

provided by:
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