

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

API NUMBER: 063 24896

Approval Date: 05/31/2019

Expiration Date: 11/30/2020

Straight Hole

Stratigraphic Test

PERMIT TO DRILL

WELL LOCATION: Sec: 22 Twp: 6N Rge: 11E County: HUGHES

SPOT LOCATION: ☐ SE ☐ SE ☐ SE ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 182 2481

Lease Name: BONELL

Well No: 3

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	Depth	Name	Depth
1 WOODFORD	6150	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 6200

Ground Elevation: 785

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

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

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

Within 1 mile of municipal water well? N

H. SEE MEMO

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).

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.

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

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

Notes:

Category

Description

INTENT TO DRILL

5/31/2019 - G75 - THIS WELL HAS BEEN APPROVED AS A STRATIGRAPHIC TEST WITH THE INTENT TO SET SURFACE CASING ONLY. OPERATOR WILL FILE AN AMENDED FORM 1000 CHANGING THE TYPE OF DRILLING OPERATION AT A LATER DATE.

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

5/31/2019 - G75 - NA-STRATIGRAPHIC TEST