

API NUMBER: 029 21402 A

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

Approval Date: 02/10/2021
Expiration Date: 08/10/2022

Horizontal Hole Oil & Gas

Amend reason: AMEND SHL; CHANGE STRAT TEST TO
OIL/GAS AND ADD FORMATIONS; UPDATE BHL

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 23 Township: 2N Range: 9E County: COAL

SPOT LOCATION: ☐ NE ☐ SW ☐ NE ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 727 1847

Lease Name: HB Well No: #3-14/11H Well will be 727 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

DPC LAND LLC
ROUTE 4, BOX 1420
#400
COALGATE OK 74538

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	6640
2	WOODFORD	319WDFD	6860
3	HUNTON	269HNTN	7025

Spacing Orders: 537141 Location Exception Orders: 717620 Increased Density Orders: 717623
542037 717673
717619

Pending CD Numbers: No Pending Working interest owners' notified: *** Special Orders: No Special Orders

Total Depth: 13975 Ground Elevation: 770 Surface Casing: 500 Depth to base of Treatable Water-Bearing FM: 300

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

Approved Method for disposal of Drilling Fluids:

F. Haul to Commercial soil farming facility	Sec. 14 Twn. 7N Rng. 9E Cnty. 63 Order No: 653875
H. (Other)	CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PIT 1 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: BOGGY

HORIZONTAL HOLE 1

Section: 11 Township: 2N Range: 9E Meridian: IM Total Length: 6315
County: COAL Measured Total Depth: 13975
Spot Location of End Point: N2 N2 S2 SW True Vertical Depth: 8000
Feet From: SOUTH 1/4 Section Line: 1200 End Point Location from
Feet From: WEST 1/4 Section Line: 1320 Lease, Unit, or Property Line: 1320

NOTES:

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.

Category	Description
HYDRAULIC FRACTURING	<p>[2/9/2021 - 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 6000NH 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>
INCREASED DENSITY - 717623 (202100275)	<p>[4/16/2021 - GB6] - 14-2N-9E X542037 WDFD 2 WELLS CANYON CREEK ENERGY - ARKOMA, LLC 04/06/2021</p>
INCREASED DENSITY - 717673 (202100274)	<p>[4/16/2021 - GB6] - 11-2N-9E X537141 WDFD 2 WELLS CANYON CREEK ENERGY - ARKOMA, LLC 04/08/2021</p>
LOCATION EXCEPTION - 717620 (202100271)	<p>[4/16/2021 - GB6] - (I.O.) 11 & 14 -2N-9E X537141 MSSP, WDFD, HNTN 11-2N-9E X542037 MSSP, WDFD, HNTN 14-2N-9E COMPL. INT. (14-2N-9E) NCT 165' FSL, NCT 0' FNL, NCT 900' FWL COMPL. INT. (11-2N-9E) NCT 0' FSL, NCT 1500' FSL, NCT 900' FWL CANYON CREEK ENERGY - ARKOMA, LLC 04/06/2021</p>
SPACING - 537141	<p>[4/16/2021 - GB6] - (640) 11-2N-9E VAC 55731 OTHERS EXT 534480 MSSP, WDFD, HNTN, OTHERS</p>
SPACING - 542037	<p>[4/16/2021 - GB6] - (640) 14-2N-9E VAC 55731 OTHERS EXT 537528 MSSP, WDFD, HNTN, OTHERS</p>
SPACING - 717619 (202100270)	<p>[4/16/2021 - GB6] - (I.O.) 11 & 14 -2N-9E EST MULTIUNIT HORIZONTAL WELL X537141 MSSP, WDFD, HNTN 11-2N-9E X542037 MSSP, WDFD, HNTN 14-2N-9E (MSSP AND HNTN ADJACENT COMMON SOURCES OF SUPPLY TO WDFD) 11% 11-2N-9E 89% 14-2N-9E CANYON CREEK ENERGY-ARKOMA, LLC 04/06/2021</p>