

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

API NUMBER: 029 21389 A

Approval Date: 11/20/2018
Expiration Date: 05/20/2020

Horizontal Hole Oil & Gas
Multi Unit

Amend reason: CHANGE TO MULTIUNIT OIL/GAS WELL; CHANGE WELL NUMBER

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 35 Twp: 3N Rge: 9E County: COAL
SPOT LOCATION: SE SW NW NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 1110 346

Lease Name: **BIG OAK** Well No: **1-35/2H** Well will be **346** feet from nearest unit or lease boundary.

Operator **CANYON CREEK ENERGY OPERATING LLC** Telephone: 9185616737 OTC/OCC Number: 23443 0
Name:

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

DR. RICHARD W. ADAMS
18280 DOOLEY RD.
CLEVELAND NC 27013

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	6640	6	
2	WOODFORD	6860	7	
3	HUNTON	7025	8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders: _____

Increased Density Orders: _____

Pending CD Numbers: 201809911
201809917
201809927
201809928

Special Orders: _____

Total Depth: 14751 Ground Elevation: 724 **Surface Casing: 1000** Depth to base of Treatable Water-Bearing FM: 70

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

PIT 1 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: AIR

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

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

H. SEE MEMO

Pit is **not** located in a Hydrologically Sensitive Area.

Category of Pit: 4

Liner not required for Category: 4

Pit Location is NON HSA

Pit Location Formation: BOGGY

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 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

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 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

Sec 02 Twp 2N Rge 9E County COAL

Spot Location of End Point: S2 S2 SW SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 6550

Radius of Turn: 573

Direction: 179

Total Length: 7301

Measured Total Depth: 14751

True Vertical Depth: 7120

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Category

Description

DEEP SURFACE CASING

11/15/2018 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

Category	Description
HYDRAULIC FRACTURING	<p>12/7/2018 - G75 - OCC 165:10-3-10 REQUIRES:</p> <p>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;</p> <p>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,</p> <p>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</p>
MEMO	<p>11/15/2018 - G71 - PIT 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 3 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT</p>
PENDING CD - 201809911	<p>12/7/2018 - G75 - (E.O.)(640)(HOR) 35-3N-9E EST MSSP, WDFD, HNTN COMPL. INT. (MSSP, HNTN) NLT 660' FB COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL (COEXIST SP. ORDER # 77839 HNTN) CANYON CREEK ENERGY OP., LLC REC 11-30-2018 (JOHNSON)</p>
PENDING CD - 201809917	<p>12/7/2018 - G75 - (E.O.)(640)(HOR) 2-2N-9E EST MSSP, WDFD, HNTN COMPL. INT. (MSSP, HNTN) NLT 660' FB COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL (COEXIST SP. ORDER # 549611 CNEY, WDFD, HNTN) CANYON CREEK ENERGY OP., LLC REC 11-30-2018 (JOHNSON)</p>
PENDING CD - 201809927	<p>12/7/2018 - G75 - (E.O.) 35-3N-9E & 2-2N-9E EST MULTIUNIT HORIZONTAL WELL X201809911 MSSP, WDFD, HNTN 35-3N-9E X201809917 MSSP, WDFD, HNTN 2-2N-9E (MSSP, HNTN ADJACENT COMMON SOURCES OF SUPPLY TO WDFD) 50% 35-3N-9E 50% 2-2N-9E CANYON CREEK ENERGY OP., LLC REC 11-30-2018 (JOHNSON)</p>
PENDING CD - 201809928	<p>12/7/2018 - G75 - (E.O.) 35-3N-9E & 2-2N-9E X201809911 MSSP, WDFD, HNTN 35-3N-9E X201809917 MSSP, WDFD, HNTN 2-2N-9E COMPL. INT. (35-3N-9E) NCT 165' FNL, NCT 0' FSL, NCT 330' FWL COMPL. INT. (2-2N-9E) NCT 0' FNL, NCT 165' FSL, NCT 330' FWL CANYON CREEK ENERGY OP., LLC REC 11-30-2018 (JOHNSON)</p>

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.



Well Location Plat

S.H.L. Sec. 35-3N-9E I.M.
B.H.L. Sec. 2-2N-9E I.M.

Operator: CANYON CREEK ENERGY

API 029-21389 A

Lease Name and No. : BIG OAK 1-35/2H

Footage : 1110' FNL - 346' FWL GR. ELEVATION : 724' Good Site? YES

Section: 35 Township: 3N Range: 9E I.M.

County : Coal State of Oklahoma

Terrain at Loc. : Location fell in open pasture, with the Southwest corner as the high side and sloping down towards other corners.

Accessibility : From the South.

Directions : From the intersection of State Highway 3/33 and "Broadway" in the town of Centrahoma, OK, go 2.0 miles North, then a slight right on "N 3740 Rd.", and go 5.0 miles, then turn right onto "E 1600 Rd." and go 1.0 mile to the Northwest Corner of Section 35-3N-5E.



1"=1320'

GPS DATUM
NAD - 83
OK SOUTH ZONE
GPS DATUM
NAD - 27
OK SOUTH ZONE

Surface Hole Loc.:
Lat: 34°41'28.68"N
Lon: 96°20'09.23"W
X: 2468712
Y: 498317

Surface Hole Loc.:
Lat: 34°41'28.35"N
Lon: 96°20'08.22"W
X: 2500308
Y: 498271

Landing Point:
Lat: 34°41'21.74"N
Lon: 96°20'05.47"W
X: 2469037
Y: 497621

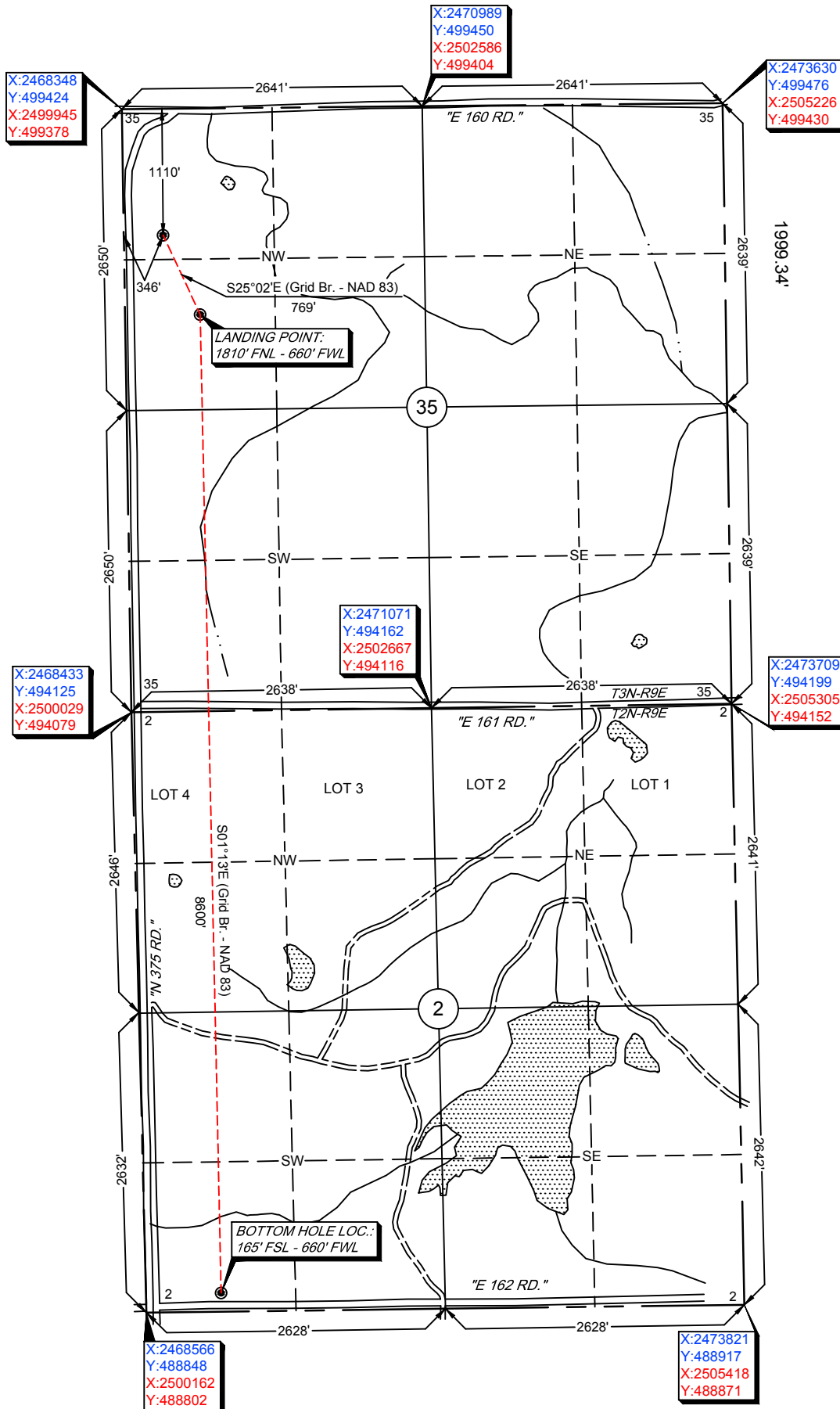
Landing Point:
Lat: 34°41'21.41"N
Lon: 96°20'04.46"W
X: 2500634
Y: 497574

Bottom Hole Loc.:
Lat: 34°39'56.66"N
Lon: 96°20'04.96"W
X: 2469221
Y: 489022

Bottom Hole Loc.:
Lat: 34°39'56.33"N
Lon: 96°20'03.95"W
X: 2500818
Y: 488976

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.
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.

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, 2020
Invoice #6765-A
Date Staked : 11/17/16 By : H.S.
Date Drawn : 11/28/16 By : C.S.
Rev. Lease Name : 11/06/18 By : R.S.

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 11/06/18
LANCE G. MATHIS OK LPLS 1664

