

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

API NUMBER: 063 24895 A

Approval Date: 05/31/2019
Expiration Date: 11/30/2020

Horizontal Hole Oil & Gas
Multi Unit

Amend reason: CHANGE TO MULTIUNIT HORIZONTAL OIL/GAS
WELL; CHANGE WELL NUMBER, FORMATION DEPTH &
GROUND ELEVATION

AMEND 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 2466

Lease Name: BONELL Well No: 2-27/34H Well will be 182 feet from nearest unit or lease boundary.
Operator CANYON CREEK ENERGY ARKOMA LLC Telephone: 9187794949 OTC/OCC Number: 24379 0
Name:

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	6230	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 679022
679023

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201902985
201902986
201902992
201902991

Special Orders:

Total Depth: 16933

Ground Elevation: 777

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

Type of Pit System: ON SITE

Type of Mud System: AIR

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: 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).

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

H. SEE MEMO

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

HORIZONTAL HOLE 1

Sec 34 Twp 6N Rge 11E County HUGHES

Spot Location of End Point: S2 S2 SE SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 1980

Depth of Deviation: 5938

Radius of Turn: 477

Direction: 185

Total Length: 10246

Measured Total Depth: 16933

True Vertical Depth: 6299

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

Notes:

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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	6/3/2019 - G71 - OCC 165:10-3-10 REQUIRES: 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; 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, 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
MEMO	5/30/2019 - G71 - PIT 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 3 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT
PENDING CD - 201902985	6/14/2019 - G75 - (E.O.) 27 & 34-6N-11E EST MULTIUNIT HORIZONTAL WELL X679022 WDFD, OTHER 27-6N-11E X679023 WDFD, OTHER 34-6N-11E 50% 27-6N-11E 50% 34-6N-11E CANYON CREEK ENERGY-ARKOMA, LLC REC 6-4-2019 (MOORE)
PENDING CD - 201902986	6/14/2019 - G75 - (E.O.) 27 & 34-6N-11E X679022 WDFD, OTHER 27-6N-11E X679023 WDFD, OTHER 34-6N-11E COMPL. INT. (27-6N-11E) NCT 165' FNL, NCT 0' FSL, NCT 1920' FWL COMPL. INT. (34-6N-11E) NCT 0' FNL, NCT 165' FSL, NCT 1920' FWL CANYON CREEK ENERGY-ARKOMA, LLC REC 6-4-2019 (MOORE)
PENDING CD - 201902991	6/14/2019 - G75 - 27-6N-11E X679022 WDFD 3 WELLS NO OP. NAMED HEARING 6-17-2019
PENDING CD - 201902992	6/14/2019 - G75 - 34-6N-11E X679023 WDFD 3 WELLS NO OP. NAMED HEARING 6-17-2019
SPACING - 679022	6/12/2019 - G75 - (640)(HOR) 27-6N-11E EST WDFD, OTHER COMPL. INT. NLT 165' FNL & FSL, NLT 330' FEL & FWL (COEXIST SP. ORDER # 503720 WDFD)
SPACING - 679023	6/14/2019 - G75 - (640)(HOR) 34-6N-11E EST WDFD, OTHER COMPL. INT. NLT 165' FNL & FSL, NLT 330' FEL & FWL (COEXIST SP. ORDER # 540027 WDFD)

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

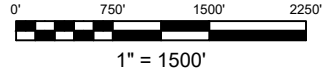
S.H.L. Sec. 22-6N-11E I.M.
B.H.L. Sec. 34-6N-11E I.M.

Operator: CANYON CREEK ENERGY
Lease Name and No.: BONELL 2-27-34H
Footage: 182' FSL - 2466' FWL Gr. Elevation: 777'
Section: 22 Township: 6N Range: 11E I.M.
County: Hughes State of Oklahoma
Terrain at Loc.: Location fell in a pasture on the West side of an existing lease road sloping down to the West.

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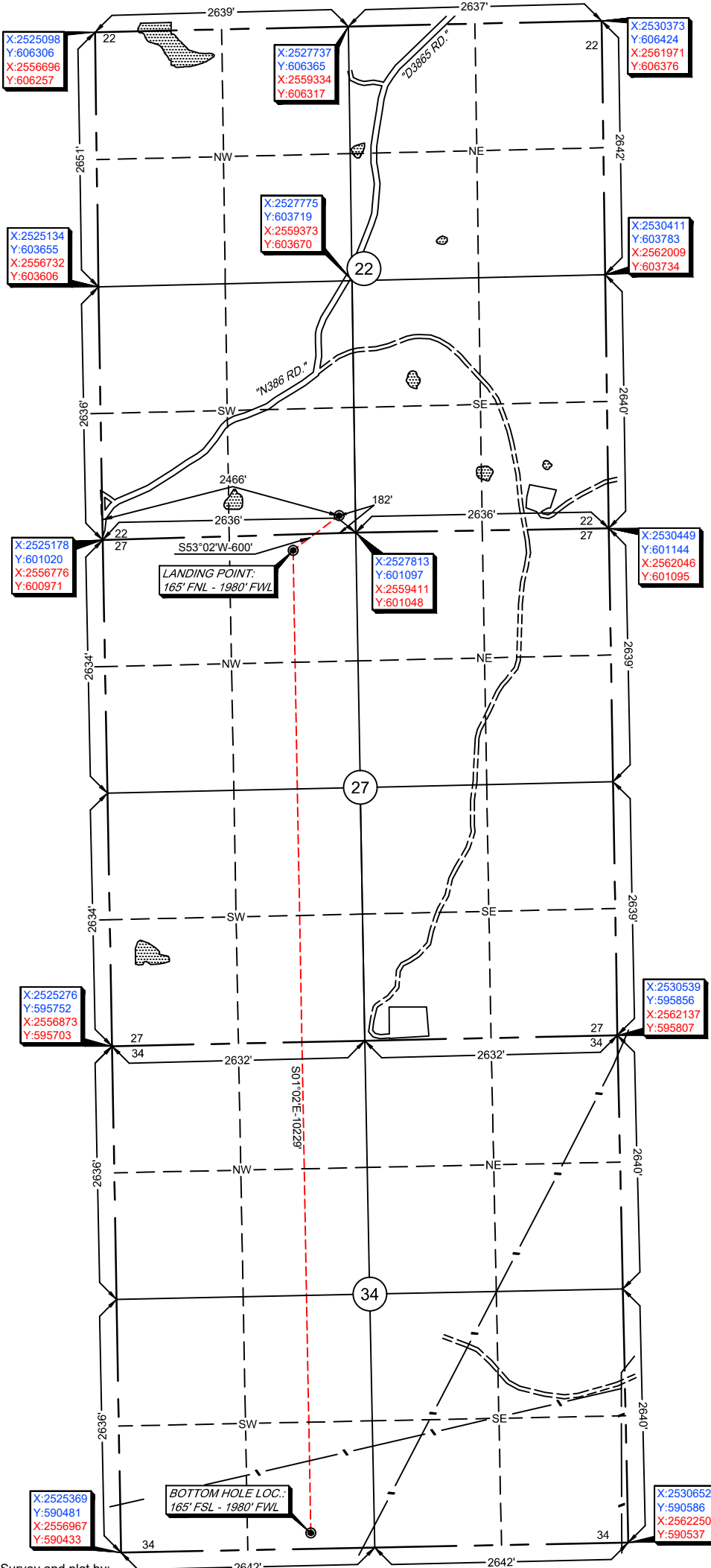


All bearings shown are grid bearings.



1" = 1500'

GPS DATUM
NAD 83
NAD 27
OK SOUTH ZONE



Surface Hole Loc.:
Lat: 34°58'16.73"N
Lon: 96°08'00.83"W
Lat: 34.97131347
Lon: -96.13356365
X: 2527640
Y: 601273

Surface Hole Loc.:
Lat: 34°58'16.40"N
Lon: 96°07'59.82"W
Lat: 34.97122261
Lon: -96.13328275
X: 2559238
Y: 601225

Landing Point:
Lat: 34°58'13.25"N
Lon: 96°08'06.67"W
Lat: 34.97034629
Lon: -96.13518674
X: 2527160
Y: 600912

Landing Point:
Lat: 34°58'12.92"N
Lon: 96°08'05.66"W
Lat: 34.97025542
Lon: -96.13490580
X: 2558758
Y: 600864

Bottom Hole Loc.:
Lat: 34°56'32.07"N
Lon: 96°08'06.72"W
Lat: 34.94224185
Lon: -96.13519935
X: 2527346
Y: 590685

Bottom Hole Loc.:
Lat: 34°56'31.74"N
Lon: 96°08'05.71"W
Lat: 34.94215063
Lon: -96.13491881
X: 2558943
Y: 590637

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, 2020

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.

Invoice #8488-B-A
Date Staked: 05/23/19 By: D.K.
Date Drawn: 05/24/19 By: E.W.
Added LP & BHL: 06/04/19 By: E.W.

LANCE G. MATHIS

06/04/19

OK LPLS 1664

