

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

API NUMBER: 073 26907

Approval Date: 08/18/2022

Expiration Date: 02/18/2024

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 16 Township: 16N Range: 6W County: KINGFISHER

SPOT LOCATION: NW NW NW NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 218 2480

Lease Name: BOWSER 1606 Well No: 3LOH-9 Well will be 218 feet from nearest unit or lease boundary.

Operator Name: CANVAS ENERGY LLC Telephone: 4054788770; 4054264481; OTC/OCC Number: 16896 0

CANVAS ENERGY LLC
4700 GAILLARDIA PARKWAY STE 200
OKLAHOMA CITY, OK 73142-1839

SANDRA THOMAS
211 MISSION TRAIL
WIMBERLEY TX 78676-6335

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	7120

Spacing Orders: 658168

Location Exception Orders: 727248

Increased Density Orders: 727191

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 12400

Ground Elevation: 1081

Surface Casing: 470

Depth to base of Treatable Water-Bearing FM: 220

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

Approved Method for disposal of Drilling Fluids:	
D. One time land application -- (REQUIRES PERMIT)	PERMIT NO: 22-38502
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: 5000 Average: 3000
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: ALLUVIAL
Pit Location Formation: ALLUVIUM

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 located in a Hydrologically Sensitive Area.

Category of Pit: C
Liner not required for Category: C
Pit Location is: ALLUVIAL
Pit Location Formation: ALLUVIUM

HORIZONTAL HOLE 1

Section: 9 Township: 16N Range: 6W Meridian: IM Total Length: 4952
County: KINGFISHER Measured Total Depth: 12400
Spot Location of End Point: NW NE NE NW True Vertical Depth: 7630
Feet From: NORTH 1/4 Section Line: 165 End Point Location from
Lease, Unit, or Property Line: 165
Feet From: WEST 1/4 Section Line: 2080

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.

NOTES:	
Category	Description
HYDRAULIC FRACTURING	<p>[8/10/2022 - 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: OCCEWEB.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 - 727191	<p>[8/18/2022 - GB1] - 9-16N-6W X658168 MSSP 3 WELLS CANVAS ENERGY LLC 7/27/2022</p>
LOCATION EXCEPTION - 727248	<p>[8/18/2022 - GB1] - (I.O.) 9-16N-6W X658168 MSSP X165:10-3-28(C)(2)(B) MSSP, MAY BE CLOSER THAN 600' TO D J HANKS 1-9 COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 1700' FWL CANVAS ENERGY LLC 7/28/2022</p>
MEMO	<p>[8/10/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT</p>
SPACING - 658168	<p>[8/18/2022 - GB1] - (640)(HOR) 9-16N-6W EXT 630735 MSSP, OTHER POE TO BHL NCT 660' FB (COEXIST SP. ORDER # 62655/105295 MSSLM N2, SE4 & ORDER # 62655/105295/522340 MSSLM SW4)</p>

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