

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

API NUMBER: 043 23579 B

Approval Date: 12/19/2017
Expiration Date: 06/19/2018

Horizontal Hole Oil & Gas

Amend reason: DEEPEN SURFACE CASING SET DEPTH FROM
1,000' TO 1,500'.

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 17N Rge: 16W

County: DEWEY

SPOT LOCATION: ☐ NW ☐ NW ☐ NW ☐ SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 2320 250

Lease Name: OAKES

Well No: 2H-27-34

Well will be 250 feet from nearest unit or lease boundary.

Operator Name: CITIZEN ENERGY II LLC

Telephone: 9189494680

OTC/OCC Number: 23559 0

CITIZEN ENERGY II LLC
320 S BOSTON AVE STE 900
TULSA, OK 74103-3729

STANLEY OAKES
RT. 1 BOX 14
PUTNAM OK 73659

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	12900	6	
2	WOODFORD	13100	7	
3	HUNTON	13250	8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201707154
201708225
201708226

Special Orders:

Total Depth: 20350

Ground Elevation: 1802

Surface Casing: 1500

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

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

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: RUSH SPRINGS

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 17-33454

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: 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: RUSH SPRINGS

HORIZONTAL HOLE 1

Sec 34 Twp 17N Rge 16W County DEWEY

Spot Location of End Point: S2 SW SW SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 330

Depth of Deviation: 12620

Radius of Turn: 480

Direction: 178

Total Length: 6976

Measured Total Depth: 20350

True Vertical Depth: 13250

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

Additional Surface Owner	Address	City, State, Zip
STANLEY OAKES	RT. 1 BOX 14	PUTNAM, OK 73659
SCOTT OAKES	RT. 1 BOX 14	PUTNAM, OK 73659

Notes:

Category

Description

DEEP SURFACE CASING

1/8/2018 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING

HYDRAULIC FRACTURING

12/6/2017 - 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

INTERMEDIATE CASING

12/6/2017 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES

MEMO

12/6/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

This permit does not address the right of entry or settlement of surface damages.

043 23579 OAKES 2H-27-34

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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
PENDING CD - 201707154	12/19/2017 - G58 - (E.O.)(640)(HOR) 27 & 34-17N-16W VAC OTHERS VAC 68479 MSCST, HNTN 34-17N-16W VAC 181325 HNTN, MSCST, MSSSD 27-17N-16W; MSSSD 34-17N-16W EST MSSP, WDFD, HNTN COMPL. INT. (MSSP, HNTN) NCT 660' FB COMPL. INT. (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL REC 12/5/2017 (MCKEOWN)
PENDING CD - 201708225	12/19/2017 - G58 - (E.O.) 27 & 34-17N-16W EST MULTIUNIT HORIZONTAL WELL X201707154 MSSP, HNTN, WDFD (MSSP & HNTN ADJACENT COMMON SOURCES OF SUPPLY TO WDFD) 33% 27-17N-16W 67% 34-17N-16W NO OP NAMED REC 12/18/2017 (JOHNSON)
PENDING CD - 201708226	12/19/2017 - G58 - (E.O.) 27 & 34-17N-16W X201707154 MSSP, WDFD, HNTN COMPL. INT. (27-17N-16W) NCT 2640' FSL, NCT 0' FSL, NCT 330' FWL COMPL. INT. (34-17N-16W) NCT 165' FSL, NCT 0' FNL, NCT 330' FWL NO OP NAMED REC 12/18/2017 (JOHNSON)

This permit does not address the right of entry or settlement of surface damages.

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