API NUMBER: 039 22549

Horizontal Hole Oil & Gas

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

Approval Date: 08/09/2018
Expiration Date: 02/09/2019

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 14N Rge: 16W County: CUSTER

SPOT LOCATION: NE NW NE NE

FEET FROM QUARTER: FROM **NORTH** FROM **EAST**

SECTION LINES: **270** **800**

Lease Name: TRIPLE J **Well No: 1H-5-8** **Well will be 270 feet from nearest unit or lease boundary.**

Operator Name: CITIZEN ENERGY III LLC Telephone: 9189494680 OTC/OCC Number: 24120 0

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

RUTH KILLMAN
8607 N. 2290 ROAD
CUSTER CITY OK 73639

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

	Name	Depth		Name	Depth
1	MISSISSIPPIAN	14500	6		
2	WOODFORD	15300	7		
3			8		
4			9		
5			10		

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201803309
201803310

Special Orders:

Total Depth: 25155 Ground Elevation: 1773 **Surface Casing: 1000** Depth to base of Treatable Water-Bearing FM: 430

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

PIT 1 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: RUSH SPRINGS

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-35043

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 08 Twp 14N Rge 16W County CUSTER

Spot Location of End Point: S2 S2 SE SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 14318

Radius of Turn: 382

Direction: 179

Total Length: 10237

Measured Total Depth: 25155

True Vertical Depth: 15300

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

Additional Surface Owner	Address	City, State, Zip
RUTH KILLMAN	8607 N. 2290 ROAD	CUSTER CITY, OK 73639
JEANNIE TATE	8607 N. 2290 ROAD	CUSTER CITY, OK 73639

Notes:

Category	Description
DEEP SURFACE CASING	8/1/2018 - 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	8/1/2018 - 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	8/1/2018 - 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.
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.

Category	Description
PENDING CD - 201803309	8/9/2018 - G58 - (E.O.)(1280)(HOR) 5 & 8-14N-16W VAC 70362 MRMC VAC 106522 MRMC, CSTR EST MSSP, WDFD, OTHER COMPL. INT. (MSSP) NLT 660' FB COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL REC 7/27/2018 (DUNN)
PENDING CD - 201803310	8/9/2018 - G58 - (E.O.) 5 & 8-14N-16W X201803309 MSSP, WDFD, OTHER COMPL. INT. (8-14N-16W) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL COMPL. INT. (5-14N-16W) NCT 165' FNL, NCT 0' FSL, NCT 330' FEL NO OP. NAMED REC 7/27/2018 (DUNN)

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. 5-14N-16W I.M.
B.H.L. Sec. 8-14N-16W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: TRIPLE J 1H-5-8
Footage: 270' FNL - 800' FEL Gr. Elevation: 1773'
Section: 5 Township: 14N Range: 16W I.M.
County: Custer State of Oklahoma
Terrain at Loc.: Location fell in a pasture.

039-22549

All bearings shown are grid bearings.

0' 660' 1320' 1980'

1" = 1320'

GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc.:	
Lat: 35°43'28.76"N	
Lon: 98°55'06.97"W	
Lat: 35.72465474	
Lon:-98.91860300	
X: 1695836	
Y: 265077	
Surface Hole Loc.:	
Lat: 35°43'28.58"N	
Lon: 98°55'05.65"W	
Lat: 35.72460666	
Lon:-98.91823565	
X: 1727438	
Y: 265051	
Landing Point:	
Lat: 35°43'29.80"N	
Lon: 98°55'05.29"W	
Lat: 35.72494408	
Lon:-98.91813486	
X: 1695976	
Y: 265181	
Landing Point:	
Lat: 35°43'29.63"N	
Lon: 98°55'03.96"W	
Lat: 35.72489600	
Lon:-98.91776753	
X: 1727578	
Y: 265155	
Bottom Hole Loc.:	
Lat: 35°41'48.56"N	
Lon: 98°55'04.53"W	
Lat: 35.69682170	
Lon:-98.91792636	
X: 1695941	
Y: 254944	
Bottom Hole Loc.:	
Lat: 35°41'48.38"N	
Lon: 98°55'03.22"W	
Lat: 35.69677328	
Lon:-98.91755996	
X: 1727543	
Y: 254919	

-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, 2018

Invoice #7857-A
Date Staked: 05/14/18 By: R.L.
Date Drawn: 05/18/18 By: K.B.
Add LP & BHL: 05/23/18 By: K.B.

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 05/25/18
OK LPLS 1664

LICENSED PROFESSIONAL LAND SURVEYOR
LANCE G. MATHIS
1664
OKLAHOMA

Well Location Plat

S.H.L. Sec. 5-14N-16W I.M.
B.H.L. Sec. 8-14N-16W I.M.

CITIZEN ENERGY

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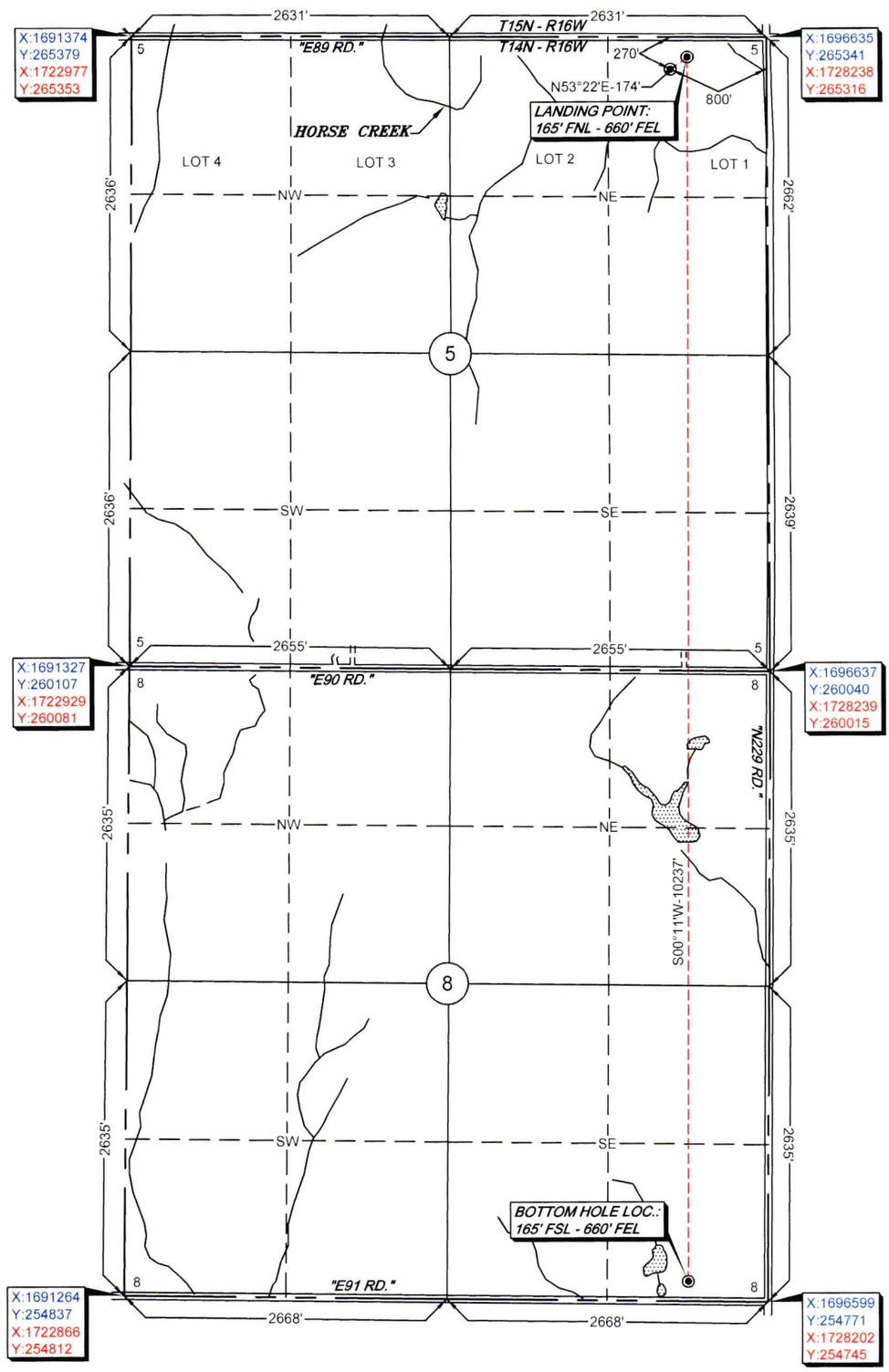
1" = 1320'



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LANCE G. MATHIS 05/25/18
LANCE G. MATHIS OK LPLS 1664

LICENSED PROFESSIONAL LAND SURVEYOR
LANCE G. MATHIS
1664
OKLAHOMA

Anti-Collision

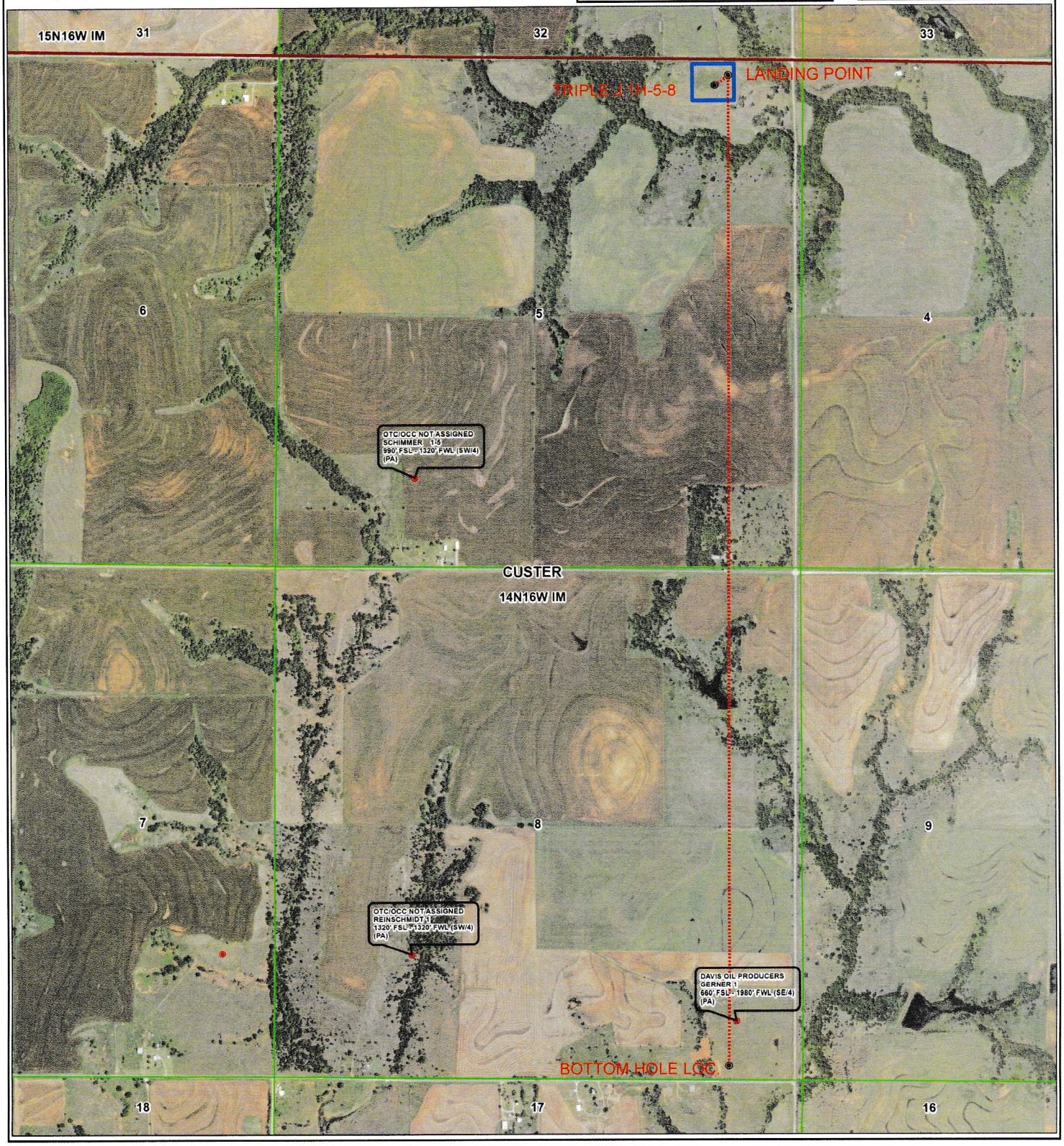
CITIZENENERGY

Sec. 5-14N-16W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: TRIPLE J 1H-5-8
Surface Hole Location: 270' FNL - 800' FEL
Sec. 5 Twp. 14N Rng. 16W I.M.
Landing Point: 165' FNL - 660' FEL
Bottom Hole Location: 165' FSL - 660' FEL
Sec. 8 Twp. 14N Rng. 16W I.M
County: Custer State of Oklahoma

SHL
Bore Path
Pad
OCC Wells
Counties
Township-Range
Sections

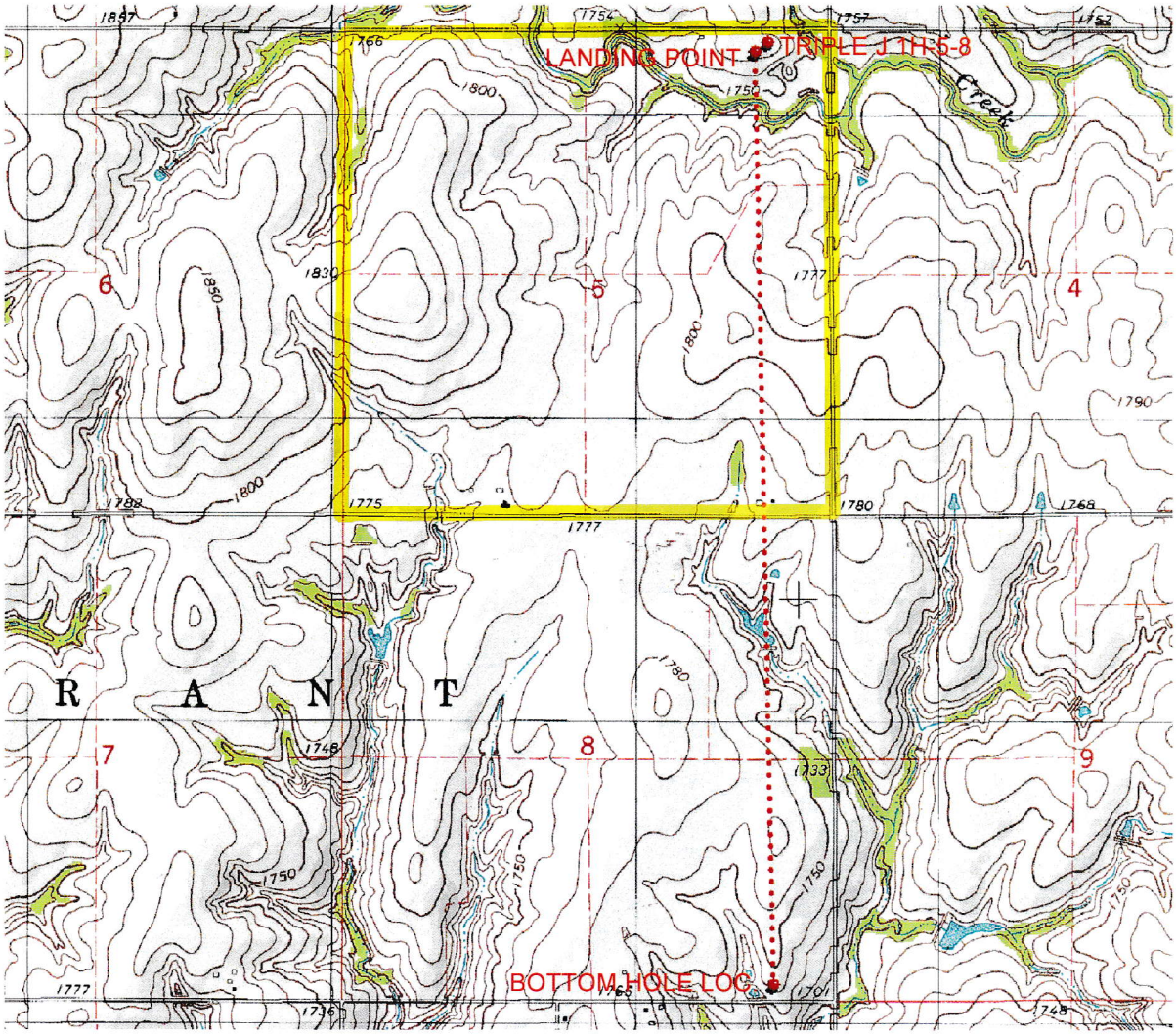
0 750 1,500 Feet



Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: TRIPLE J 1H-5-8
Surface Hole Location: 270' FNL - 800' FEL
Sec. 5 Twp. 14N Rng. 16W I.M.
Landing Point: 165' FNL - 660' FEL
Bottom Hole Location: 165' FSL - 660' FEL
Sec. 8 Twp. 14N Rng. 16W I.M
County: Custer State of Oklahoma
Ground Elevation at Surface Hole Location: 1773'

Scale 1" = 2000'
Contour Interval: 10'



Provided by:
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P.O. Box 238 Wilburton, OK 74578
Ph. 918-465-5711 Fax 918-465-5030

Certificate of Authorization No. 5348
Expires June 30, 2018

Date Staked: 05/14/18

The purpose of this map is to verify the location and elevation as staked on the ground and to show the surrounding Topographic features. The footage shown hereon is only as SCALED onto a U.S.G.S. Topographic Map.

Please note that this location was staked carefully on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed.

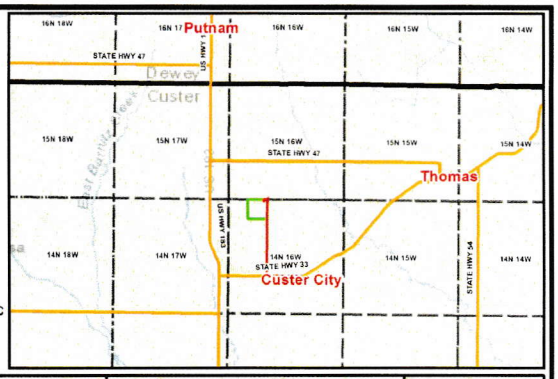
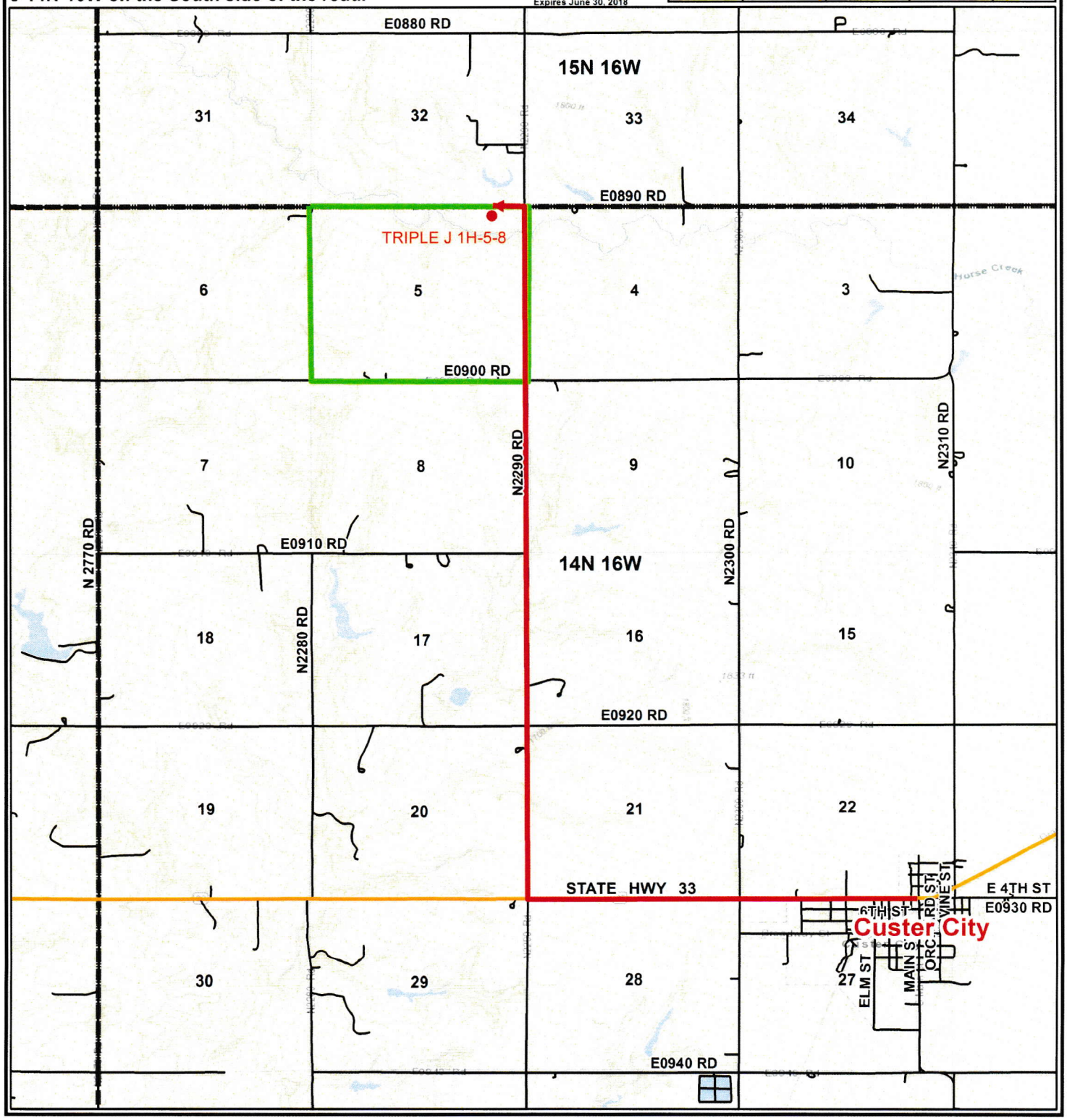
Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined.

County Highway Vicinity Map

Job #: 7857-A
Operator: CITIZEN ENERGY, LLC
Lease Name and No.: TRIPLE J 1H-5-8

Accessibility: From the South.
Directions: From the junction of "Main St." & State HWY 33 in the town of Custer City, OK, go 1.8 miles West on State HWY 33, 4.0 miles North on "NS 229 RD.", then go 0.2 miles West on "EW 89 RD." to the Northeast Quarter of Section 5-14N-16W on the South side of the road.

CITIZENENERGY

1 inch = 0.75 mile

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