

API NUMBER: 051 24211

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: 10/31/2017

Expiration Date: 04/30/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 32 Twp: 10N Rge: 6W

County: GRADY

SPOT LOCATION: ☐ SW ☐ NW ☐ NW ☐ NW

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 350 175

Lease Name: KAYLOR

Well No: 1H-30-19

Well will be 175 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

PAUL HARDESTY CREDIT SHELTER TRUST
1454 STATE HWY 37
TUTTLE OK 73089

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

	Name	Depth	Name	Depth
1	WOODFORD	10600	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 329092

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201703913
201703914
201703915

Special Orders:

Total Depth: 21105

Ground Elevation: 1296

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 110

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: 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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

D. One time land application - (REQUIRES PERMIT)

PERMIT NO: 17-33327

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 19 Twp 10N Rge 6W County GRADY

Spot Location of End Point: N2 NE NE NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 330

Depth of Deviation: 10126

Radius of Turn: 477

Direction: 357

Total Length: 10230

Measured Total Depth: 21105

True Vertical Depth: 10600

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

Notes:

Category

Description

DEEP SURFACE CASING

10/31/2017 - 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

10/31/2017 - 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

MEMO

10/31/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201703913

10/31/2017 - G60 - (640)(HOR) 19-10N-6W
EST WDFD
COMPL. INT. NCT 165' FNL/FSL, NCT 330' FEL/FWL
REC. 7/10/17 (JOHNSON)

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.

051 24211 KAYLOR 1H-30-19

Category	Description
PENDING CD - 201703914	10/31/2017 - G60 - (I.O.) 19 & 30-10N-6W EST MULTIUNIT HORIZONTAL WELL X201703913 WDFD (19-10N-6W) X329092 WDFD (30-10N-6W) 50% 19-10N-6W 50% 30-10N-6W NO OP. NAMED REC. 8/30/17 (JOHNSON)
PENDING CD - 201703915	10/31/2017 - G60 - (I.O.) 19 & 30-10N-6W X201703913 WDFD (19-10N-6W) X329092 WDFD (30-10N-6W) COMPL. INT. (30-10N-6W) NCT 165' FSL, 0' FNL, NCT 330' FEL COMPL. INT. (19-10N-6W) NCT 0' FSL, NCT 165' FNL, NCT 330' FEL NO OP. NAMED REC. 8/30/17 (JOHNSON)
SPACING - 329092	10/31/2017 - G60 - (640) 30-10N-6W EXT 319057/326172 WDFD, OTHERS EXT OTHERS

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.



S.H.L. Sec. 32-10N-6W I.M.
B.H.L. Sec. 19-10N-6W I.M.

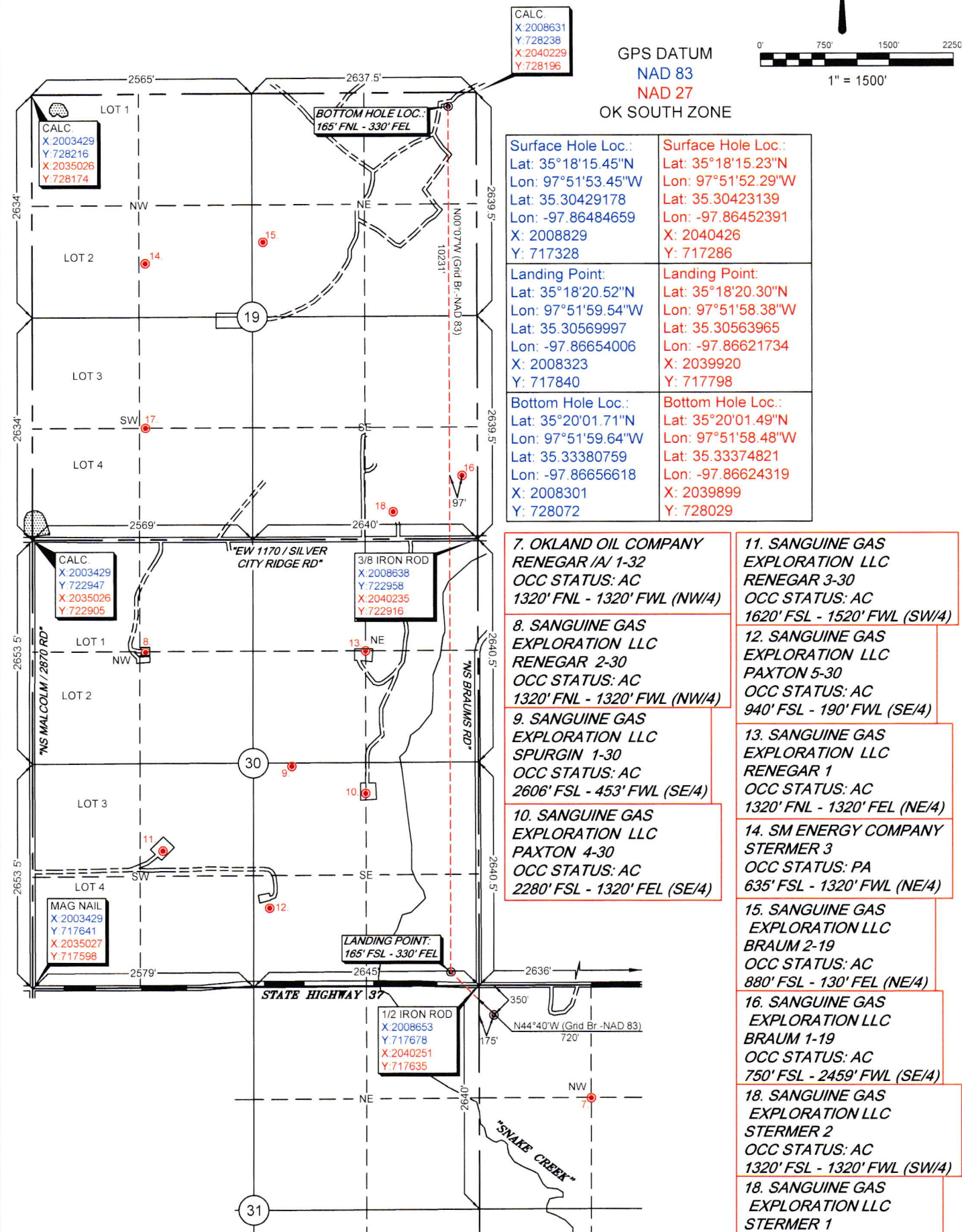
3505124211

Footage : 350' FNL - 175' FWL GR. ELEVATION : 1296' Good Site? YES

Section : 32 Township : 10N Range : 6W I.M.

County : Grady State of Oklahoma

Terrain at Loc. : Location fell in wheat field with elevation slowly rising to the East end.



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.

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 #7170

Date Staked : 05/30/17 By : J.L.

Date Drawn : 06/13/17 By : K.B.

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

06/14/17

OK LPLS 1664

