

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

API NUMBER: 051 24229

Approval Date: 11/29/2017

Expiration Date: 05/29/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 10N Rge: 6W

County: GRADY

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 310 455

Lease Name: PAXTON

Well No: 1H-30-19

Well will be 310 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

WARD G. PAXTON FLP LL LTD
544 COUNTY STREET 2880
TUTTLE OK 73089

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

	Name	Depth	Name	Depth
1	MISSISSIPPI LIME	10500	6	
2	MISSISSIPPIAN	10650	7	
3			8	
4			9	
5			10	

Spacing Orders: 305595
329092

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201707214
201707215
201707724

Special Orders:

Total Depth: 21170

Ground Elevation: 1299

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 160

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: 17-33376

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 NW NW NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 330

Depth of Deviation: 10170

Radius of Turn: 481

Direction: 360

Total Length: 10244

Measured Total Depth: 21170

True Vertical Depth: 10650

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

Additional Surface Owner	Address	City, State, Zip
WARD G. PAXTON FLP LL LTD	544 COUNTY STREET 2880	TUTTLE, OK 73089

Notes:

Category

Description

DEEP SURFACE CASING

11/2/2017 - 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

11/2/2017 - 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: OCCWEB.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

11/2/2017 - 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.

051 24229 PAXTON 1H-30-19

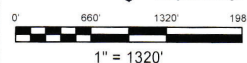
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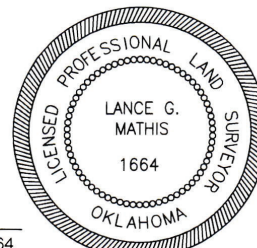
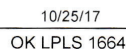
Category	Description
PENDING CD - 201707214	11/16/2017 - G60 - (I.O.) 19 & 30-10N-6W EST MULTIUNIT HORIZONTAL WELL X329092 (30-10N-6W) MSSLM X305595 (19-10N-6W) MSSP 50% 19-10N-6W 50% 30-10N-6W NO OP. NAMED REC. 11/27/17 (JOHNSON)
PENDING CD - 201707215	11/16/2017 - G60 - (I.O.) 19 & 30-10N-6W X329092 (30-10N-6W) MSSLM X305595 (19-10N-6W) MSSP COMPL. INT. (30-10N-6W) NCT 165' FSL, NCT 0' FNL, NCT 330' FWL COMPL. INT. (19-10N-6W) NCT 165' FNL, NCT 0' FSL, NCT 330' FWL NO OP. NAMED REC. 11/27/17 (JOHNSON)
PENDING CD - 201707724	11/17/2017 - G60 - (E.O.) 19-10N-6W X305595 MSSP 1 WELL CITIZEN ENERGY II, LLC. REC. 11/28/17 (JOHNSON)
SPACING - 305595	11/16/2017 - G60 - (640) 19-10N-6W EXT 285956/301579 MSSP, OTHER
SPACING - 329092	11/16/2017 - G60 - (640) 30-10N-6W EXT 319057 MSSLM, OTHERS EXT OTHERS



Terrain at Loc.: Location fell in open pasture, mostly flat with buried electrical line on West side & an AT&T fiber optic line to the South.



Bottom Hole Loc.:
Lat: 35°20'01.36"N
Lon: 97°52'53.30"W
Lat: 35.33371124
Lon: 97.88147266
X: 2035356
Y: 728010



3505124229

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P.O. BOX 52000
OKLAHOMA CITY, OK 73152-2000
(Rule 165:10-3-1)

API NUMBER: 000 00000

Approval Date:

Expiration Date:

Horizontal Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 10N Rge: 6W County: GRADY
SPOT LOCATION: SE SW SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 340 455

Lease Name: PAXTON

Well No: 1H-30-19

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2	Mississippi line	10500		7
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329092

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201707214 E.O 12/1 M.H. 11/27
201707215 E.O 12/1 M.H. 11/27
201707724 E.O 11/28

Special Orders:

Total Depth: 21170

Ground Elevation: 1299

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 160

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: 17-33376

**TEMPORARY AUTHORIZATION
TO DRILL**

Expiration Date: 11/29/17

Signature: *W.G. Paxton* for Virginia Mullinger
165:10-1-1

Water based - closed 5000 ft Max
oil based - closed 300000 200000
Fm: Terrace

Deep surface casing - approved; notify
OCC field inspector immediately of any
loss of circulation or failure to circulate
cement to surface on any conductor or
surface casing
Pits: 1d 2 closed system - steel pits
per operator request P. 1 2 - OBM
returned to vendor, cuttings permitted
per district

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HORIZONTAL HOLE 1

Sec 19 Twp 10N Rge 6W County GRADY

Spot Location of End Point: N2 NW NW NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 180

Depth of Deviation: 10170

Radius of Turn: 477

Direction: 360

Total Length: 10244

Measured Total Depth: 21170

True Vertical Depth: 10650

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

Application for Intent to Drill

3505124229

Additional Surface Owner

JOHN PAXTON

Address

544 COUNTY STREET 2880

City, State, Zip

TUTTLE, OK 73089

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000 00000 PAXTON 1H-30-19