

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: SE SW SW SW

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: 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

11/2/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

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

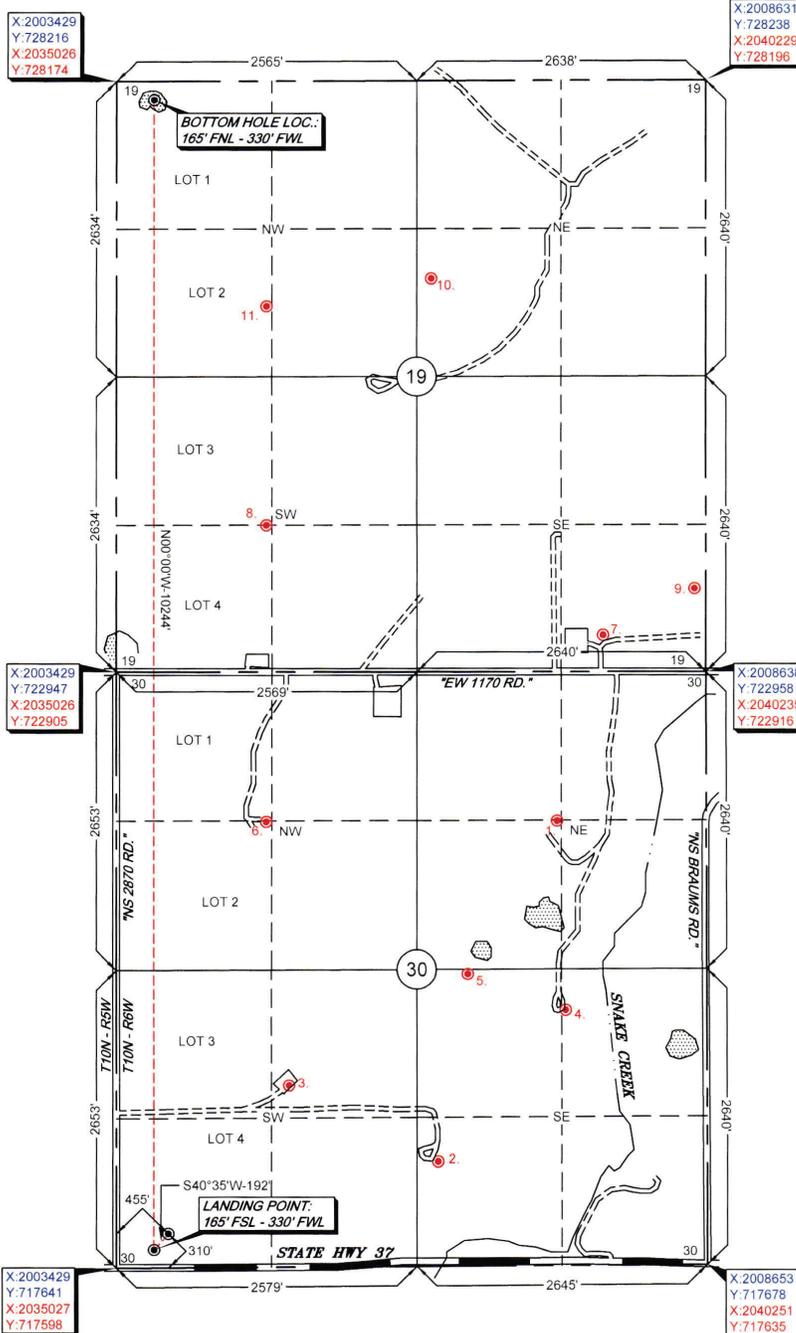
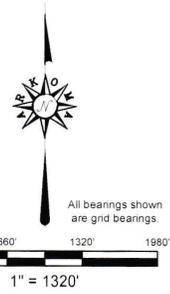
This permit does not address the right of entry or settlement of surface damages.
The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.
Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District
Office of the Conservation Division as to when Surface Casing will be run.



Well Location Plat

S.H.L. Sec. 30-10N-6W I.M.
B.H.L. Sec. 19-10N-6W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: PAXTON 1H-30-19 3505124229
Footage: 310' FSL - 455' FWL Gr. Elevation: 1299'
Section: 30 Township: 10N Range: 6W I.M.
County: Grady State of Oklahoma
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.



GPS DATUM	
NAD 83	
NAD 27	
OK SOUTH ZONE	
Surface Hole Loc.:	
Lat: 35°18'21.70"N	
Lon: 97°52'53.09"W	
Lat: 35.30602710	
Lon: -97.88141456	
X: 2003884	
Y: 717954	
Surface Hole Loc.:	
Lat: 35°18'21.48"N	
Lon: 97°52'51.93"W	
Lat: 35.30596695	
Lon: -97.88109150	
X: 2035482	
Y: 717912	
Landing Point:	
Lat: 35°18'20.26"N	
Lon: 97°52'54.60"W	
Lat: 35.30562673	
Lon: -97.88183396	
X: 2003759	
Y: 717808	
Landing Point:	
Lat: 35°18'20.04"N	
Lon: 97°52'53.44"W	
Lat: 35.30556656	
Lon: -97.88151089	
X: 2035357	
Y: 717766	
Bottom Hole Loc.:	
Lat: 35°20'01.57"N	
Lon: 97°52'54.47"W	
Lat: 35.33377046	
Lon: -97.88179600	
X: 2003759	
Y: 728052	
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	

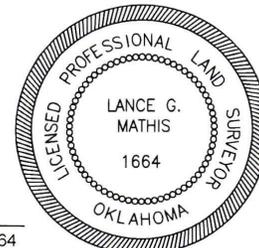
-Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS.
-NOTE: 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

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 10/25/17
OK LPLS 1664



Invoice #7420
Date Staked: 10/17/17 By: H.S.
Date Drawn: 10/20/17 By: K.B.

3505124229

OKLAHOMA CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
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: 310 455

Application for Intent to Drill

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	MISSISSIPPIAN	10650		6
2	Mississippi line	10500		7
3				8
4				9
5				10

Spacing Orders: 305595
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
165:10-1-1

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

Water based - closed 5000
oil based - closed 300000
200006
FM: Terrace

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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.

HORIZONTAL HOLE 1

Sec 19 Twp 10N Rge 6W County GRAD

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

Address

City, State, Zip

JOHN PAXTON

544 COUNTY STREET 2880

TUTTLE, OK 73089

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000 00000 PAXTON 1H-30-19