

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

API NUMBER: 051 24245 A

Approval Date: 01/08/2018

Expiration Date: 07/08/2018

Horizontal Hole Oil & Gas

Amend reason: CHANGE FM. MSSLM TO MSSP

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 9N Rge: 7W

County: GRADY

SPOT LOCATION: ☐ NE ☐ NW ☐ NE ☐ NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 320 680

Lease Name: ALLIE C

Well No: 2H-1

Well will be 320 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

SHARON HARDESTY  
1454 STATE HIGHWAY 37  
TUTTLE OK 73089

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	10900	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201800634  
201800014

Special Orders:

Total Depth: 16170

Ground Elevation: 1334

**Surface Casing: 1000**

Depth to base of Treatable Water-Bearing FM: 240

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: 17-33677

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 01 Twp 9N Rge 7W County GRADY

Spot Location of End Point: S2 SW SE SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 990

Depth of Deviation: 10470

Radius of Turn: 477

Direction: 185

Total Length: 4950

Measured Total Depth: 16170

True Vertical Depth: 10950

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

Additional Surface Owner	Address	City, State, Zip
SHARON HARDESTY	1454 STATE HIGHWAY 37	TUTTLE, OK 73089

Notes:

Category

Description

DEEP SURFACE CASING

1/4/2018 - 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

1/4/2018 - 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: [OCCWEB.COM/OG/OGFORMS.HTML](http://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](http://FRACFOCUS.ORG)

MEMO

1/4/2018 - 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.

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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.

051 24245 ALLIE C 2H-1

Category	Description
PENDING CD - 201800014	1/8/2018 - G57 - (I.O.) 1-9N-7W X201800634 MSSP SHL 320' FNL, 680' FEL COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 660' FEL CITIZEN ENERGY II, LLC. REC 2-12-2018 (JOHNSON)
PENDING CD - 201800634	2/15/2018 - G57 - (640)(HOR) 1-9N-7W EST MSSP POE TO BHL NCT 660' FB (COEXIST WITH SP. ORDER #326172 CSTR & MSSLM) REC 2-15-2018 (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.