API NUMBER: 017 25664

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

Approval Date: 04/08/2021

Expiration Date: 10/08/2022

Multi Unit Oil & Gas

PERMIT TO DRILL

	CANADIAN
SPOT LOCATION: N2 N2 NW SW FEET FROM QUARTER: FROM SOUTH	FROM WEST
SECTION LINES: 2430	660
Lease Name: DEMMER Well No: 1H-2-11	Well will be 660 feet from nearest unit or lease boundary.
Operator Name: CITIZEN ENERGY III LLC Telephone: 91894946	OTC/OCC Number: 24120 0
Operator Name: CITIZEN ENERGY III LLC Telephone: 91894946	OTC/OCC Number. 24120 0
CITIZEN ENERGY III LLC	ANNA L. DEMMER
320 S BOSTON AVE STE 900	10170 ALFADALE ST.
TULSA, OK 74103-3729	UNION CITY OK 73090
Formation(a) (Dermit Valid for Listed Formations Only)	
Formation(s) (Permit Valid for Listed Formations Only):	
Name Code Depth	
1 WOODFORD 319WDFD 10600	
Spacing Orders: 368453 Location Exception Orders 677765	No Exceptions Increased Density Orders: 717594
	Special Orders: No Special Orders
Pending CD Numbers: 202100366 Working interest owner	rs' notified: *** Special Orders.
202100367	
202100371	
Total Depth: 18500 Ground Elevation: 1258 Surface Casing:	1000 Depth to base of Treatable Water-Bearing FM: 260
Total Depth: 18500 Ground Elevation: 1258 Surface Casing:	1000 Depth to base of Treatable Water-Bearing FM: 260 Deep surface casing has been approved
	Deep surface casing has been approved
Total Depth: 18500 Ground Elevation: 1258 Surface Casing: Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No	Deep surface casing has been approved Approved Method for disposal of Drilling Fluids:
Under Federal Jurisdiction: No	Deep surface casing has been approved Approved Method for disposal of Drilling Fluids: D. One time land application (REQUIRES PERMIT) PERMIT NO: 21-37558
Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No	Deep surface casing has been approved Approved Method for disposal of Drilling Fluids:
Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes PIT 1 INFORMATION	Deep surface casing has been approved Approved Method for disposal of Drilling Fluids: D. One time land application (REQUIRES PERMIT) PERMIT NO: 21-37558 H. (Other) SEE MEMO Category of Pit: C
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	Deep surface casing has been approved Approved Method for disposal of Drilling Fluids: D. One time land application (REQUIRES PERMIT) PERMIT NO: 21-37558 H. (Other) SEE MEMO Category of Pit: C Liner not required for Category: C
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	Deep surface casing has been approved Approved Method for disposal of Drilling Fluids: D. One time land application (REQUIRES PERMIT) PERMIT NO: 21-37558 H. (Other) SEE MEMO Category of Pit: C Liner not required for Category: C Pit Location is: ALLUVIAL
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: 5000 Average: 3000	Deep surface casing has been approved Approved Method for disposal of Drilling Fluids: D. One time land application (REQUIRES PERMIT) PERMIT NO: 21-37558 H. (Other) SEE MEMO Category of Pit: C Liner not required for Category: C
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MULTI UNIT HOLE 1

Section: 11 Township: 10N Range: 7W Meridian: IM Total Length: 7300

> County: GRADY Measured Total Depth: 18500

True Vertical Depth: 10600 Spot Location of End Point: S2 SE SW SW

> Feet From: SOUTH 1/4 Section Line: 165 End Point Location from Lease, Unit, or Property Line: 165 Feet From: WEST 1/4 Section Line: 990

NOTES:	
Category	Description
DEEP SURFACE CASING	[3/25/2021 - GC2] - 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	[3/25/2021 - GC2] - OCC 165:10-3-10 REQUIRES:
	1) NOTICE SHALL BE GIVEN AT LEAST 5 BUSINESS DAYS PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS ON A HORIZONTAL WELL TO OPERATORS PRODUCING WELLS WITHIN 1 MILE OF THE COMPLETION INTERVAL OF THE SUBJECT WELL. THE NOTICE TO SUCH OPERATORS SHALL CONTAIN THE INFORMATION IN FORM 6000NOO. IF THE HYDRAULIC FRACTURING OPERATIONS SCHEDULE CHANGES AFTER NOTICE HAS BEEN PROVIDED, RESULTING IN A DELAY OF OPERATIONS OF MORE THAN 5 DAYS FROM THE INITIAL NOTICE, NEW NOTICE IS REQUIRED TO BE GIVEN;
	2) NOTICE WILL BE GIVEN TO THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES AT LEAST 48 HOURS PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCEWEB.COM/OG/OGFORMS.HTML; AND,
	3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS IS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION OF HYDRAULIC FRACTURING OPERATIONS, FOUND AT FRACFOCUS.ORG
INCREASED DENSITY - 717594 (202100370)	[4/1/2021 - GB1] - (E.O.) 2-10N-7W X368453 WDFD 2 WELLS CITIZEN ENERGY III, LLC 4/5/2021
МЕМО	[3/25/2021 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202100366	[4/1/2021 - GB1] - (E.O.) 2 & 11-10N-7W EST MULTIUNIT HORIZONTAL WELL X368453 WDFD 2-10N-7W X677765 WDFD 11-10N-7W 33% 2-10N-7W 67% 11-10N-7W CITIZEN ENERGY III, LLC REC 3-26-2021 (MOORE)
PENDING CD - 202100367	[4/1/2021 - GB1] - (E.O.) 2 & 11-10N-7W X368453 WDFD 2-10N-7W X677765 WDFD 11-10N-7W COMPL INT (2-10N-7W) NCT 1320' FNL, NCT 0' FSL, NCT 660' FWL COMPL INT (11-10N-7W) NCT 0' FSL, NCT 165' FNL, NCT 660' FWL CITIZEN ENERGY III, LLC REC 3-26-2021 (MOORE)
PENDING CD - 202100371	[4/1/2021 - GB1] - (E.O.) 11-10N-7W X677765 WDFD 2 WELLS CITIZEN ENERGY III, LLC REC 3-26-2021 (MOORE)
SPACING - 368453	[4/1/2021 - GB1] - (640) 2-10N-7W EXT OTHERS EXT WDFD, OTHERS
SPACING - 677765	[4/1/2021 - GB1] - (640)(HOR) 11-10N-7W EST WDFD COMPL INT NCT 165' FNL/FSL, NCT 330' FEL/FWL

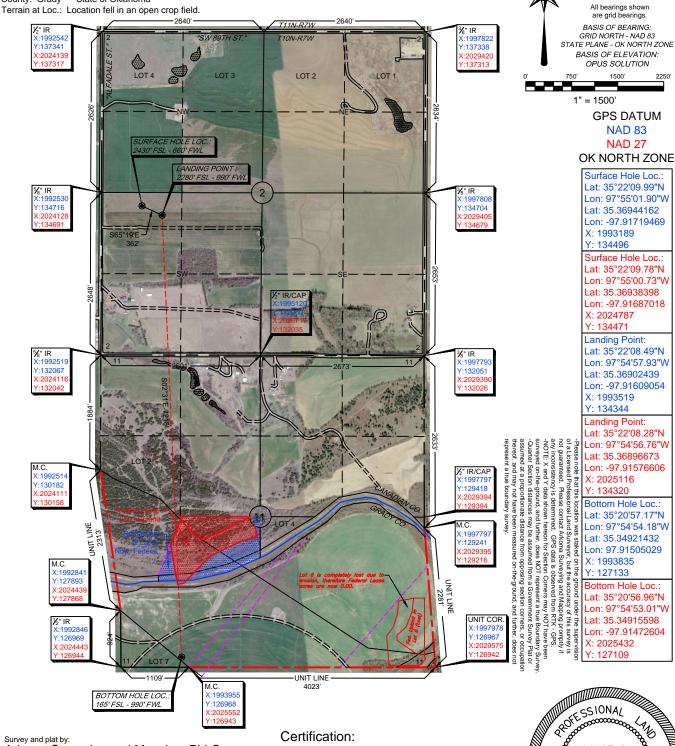
Well Location Plat

S.H.L. Sec. 2-10N-7W I.M. B.H.L. Sec. 11-10N-7W I.M.



NW/4-NE/4-NW/4-SW/4 Section: 2 Township: 10N Range: 7W I.M.

County: Canadian State of Oklahoma Bottom Hole Location: 165' FSL - 990' FWL Unit: 11 Township: 10N Range: 7W County: Grady State of Oklahoma



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, 2022

Invoice #9214-A-A

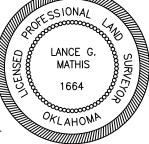
Date Staked: 03/08/2021 By: H.S. Date Drawn: 03/09/2021 By: J.K.

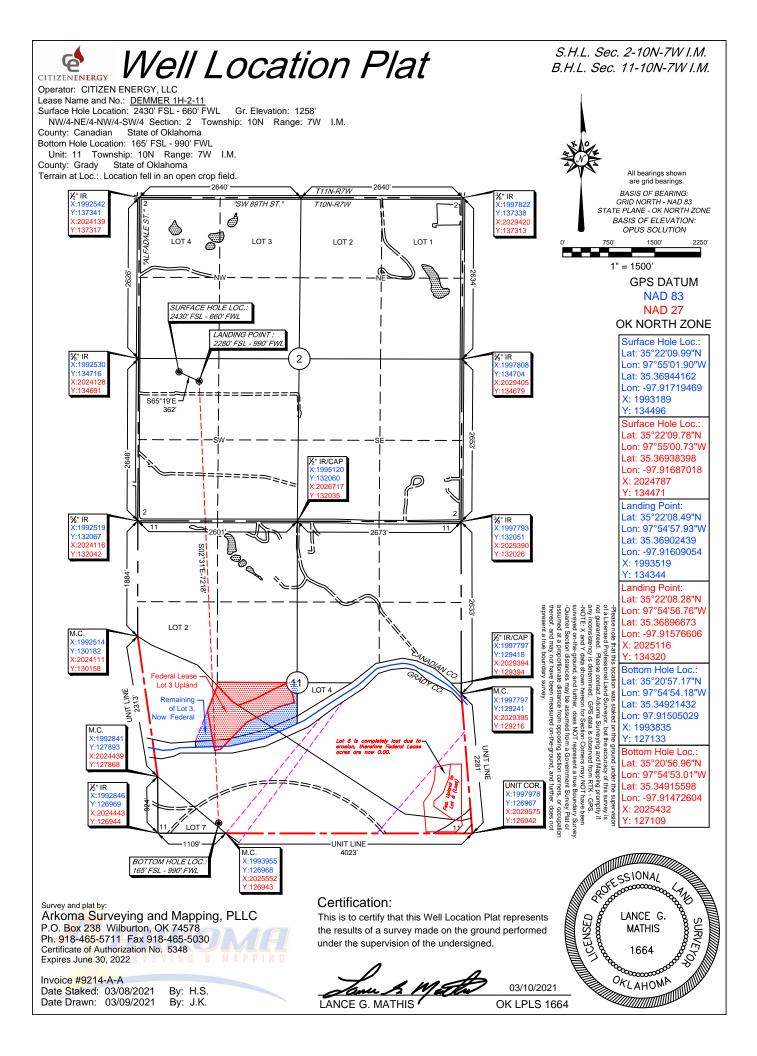
This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

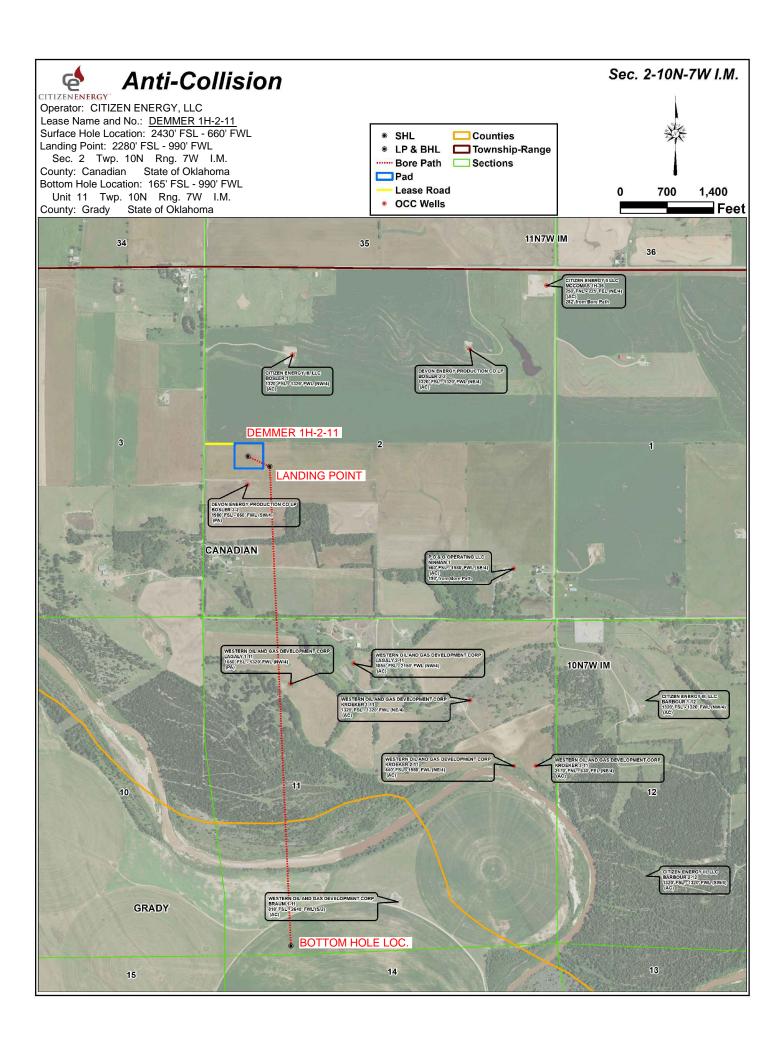


03/10/2021

OK LPLS 1664









Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC

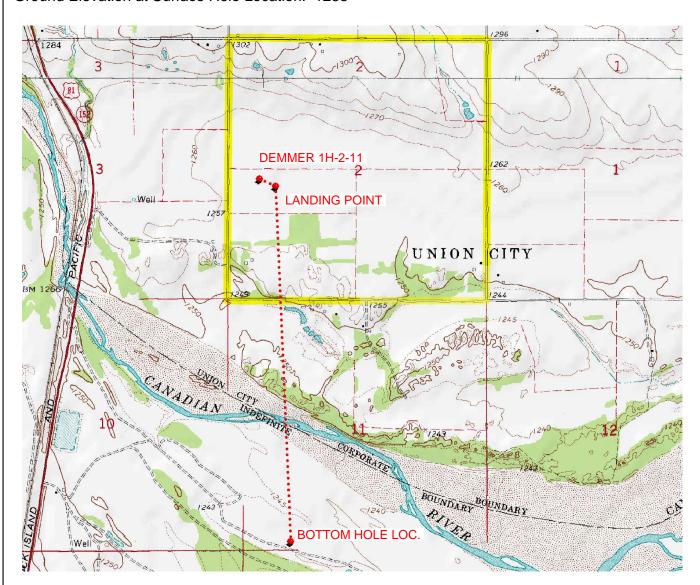
Lease Name and No.: <u>DEMMER 1H-2-11</u> Surface Hole Location: <u>2430' FSL - 660' FWL</u>

Landing Point: 2280' FSL - 990' FWL Sec. 2 Twp. 10N Rng. 7W I.M. County: Canadian State of Oklahoma Bottom Hole Location: 165' FSL - 990' FWL Unit 11 Twp. 10N Rng. 7W I.M. County: Grady State of Oklahoma

Ground Elevation at Surface Hole Location: 1258'



Scale 1" = 2000' Contour Interval: 10'



Provided 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, 2022

Date Staked: 03/08/2021

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.

