

API NUMBER: 087 22313 A

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

Approval Date: 05/18/2021
Expiration Date: 11/18/2022

Horizontal Hole Oil & Gas

Amend reason: CHANGE SHL, UPDATE OCC ORDERS

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 04 Township: 6N Range: 4W County: MCCLAIN

SPOT LOCATION: ☐ NE ☐ SE ☐ SW ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 445 1250

Lease Name: ENGLAND Well No: 2H-9 Well will be 445 feet from nearest unit or lease boundary.
Operator Name: CITIZEN ENERGY III LLC Telephone: 9189494680 OTC/OCC Number: 24120 0

CITIZEN ENERGY III LLC
320 S BOSTON AVE STE 900
TULSA, OK 74103-3729

JERRY AND TAMMY ENGLAND
17251 ROCKWELL AVE
LINDSAY OK 73052

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	10600

Spacing Orders: 648816

Location Exception Orders: No Exceptions

Increased Density Orders: 718644

Pending CD Numbers: 202100580

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 16300

Ground Elevation: 1205

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 220

Deep surface casing has been approved

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: 21-37589
H. (Other) SEE MEMO

PIT 1 INFORMATION

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: BED AQUIFER

Pit Location Formation: DUNCAN

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 300000 Average: 250000

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: BED AQUIFER

Pit Location Formation: DUNCAN

This permit does not address the right of entry or settlement of surface damages. The duration of this permit is 18 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.

HORIZONTAL HOLE 1

Section: 9	Township: 6N	Range: 4W	Meridian: IM	Total Length: 5200
	County: MCCLAIN			Measured Total Depth: 16200
Spot Location of End Point: S2	SW	SE	SW	True Vertical Depth: 10700
Feet From: SOUTH	1/4 Section Line: 165			End Point Location from
Feet From: WEST	1/4 Section Line: 1650			Lease, Unit, or Property Line: 165

NOTES:

Category	Description
DEEP SURFACE CASING	[5/13/2021 - 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	<p>[5/13/2021 - GC2] - OCC 165:10-3-10 REQUIRES:</p> <p>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;</p> <p>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,</p> <p>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</p>
INCREASED DENSITY - 718644 (202100581)	<p>[2/16/2022 - GB6] - 9-6N-4W X648816 MSSP 3 WELLS CITIZEN ENERGY III, LLC 05/10/2021</p>
MEMO	[5/13/2021 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202100580	<p>[5/18/2021 - GB6] - (I.O.) 9-6N-4W X648816 MSSP SHL 445' FSL**, 1250' FWL 4-6N-4W COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 1320' FWL CITIZEN ENERGY III, LLC REC. 02/07/2022 (MOORE)</p> <p>**CAUSE REOPENED FOR AMENDED SHL</p>
SPACING - 648816	<p>[5/18/2021 - GB6] - (640)(HOR) 9-6N-4W EXT 637596 MSSP, OTHERS COMPL. INT. (MSSP, OTHER) NCT 660' FB COMPL. INT. (OTHER) (COEXIST SP. ORDER# 83209/110671/112492 OTHER, SP. ORDER# 97397/112492 OTHER)</p>