

API NUMBER: 051 24866

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

Approval Date: 10/11/2021
Expiration Date: 04/11/2023

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 08 Township: 8N Range: 7W County: GRADY

SPOT LOCATION: ☐ NW ☐ NE ☐ NW ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 250 790

Lease Name: COTNER Well No: 1H-8 Well will be 250 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

WILLIAM CHEYENNE COTNER
1202 E. CARDINAL STREET
POCASSET OK 74103

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	13400
2	WOODFORD	319WDFD	13500

Spacing Orders: 584191
700708

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202101896

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 18500 Ground Elevation: 1192

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 510

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: 21-37849
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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: NON HSA

Pit Location Formation: DOG CREEK

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: NON HSA

Pit Location Formation: DOG CREEK

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: 8	Township: 8N	Range: 7W	Meridian: 1M	Total Length: 5200
	County: GRADY			Measured Total Depth: 18500
Spot Location of End Point: SE	SW	SW	SW	True Vertical Depth: 13500
Feet From: SOUTH	1/4 Section Line: 165			End Point Location from
Feet From: WEST	1/4 Section Line: 600			Lease, Unit, or Property Line: 165

NOTES:

Category	Description
DEEP SURFACE CASING	[10/5/2021 - GB1] - 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>[10/5/2021 - GB1] - 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>
MEMO	[10/5/2021 - GB1] - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202101896	<p>[10/11/2021 - GB6] - (E.O.) 8-8N-7W</p> <p>X584191 WDFD 8-8N-7W</p> <p>X700708 MSSP 8-8N-7W</p> <p>COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FWL</p> <p>REC. 10/01/2021 (MOORE)</p>
SPACING - 584191	<p>[10/11/2021 - GB6] - (640) 8-8N-7W</p> <p>EXT OTHER</p> <p>EST CNEY, SCMR, WDFD, OTHERS</p> <p>(VAC BY 700708 FOR CNEY, SCMR IN 8-8N-7W)</p>
SPACING - 700708	<p>[10/11/2021 - GB6] - (640) 8-8N-7W</p> <p>VAC 584191 CNEY, SCMR 8-8N-7W</p> <p>EXT 632187 MSSP</p>



A circular professional seal for a land surveyor. The outer ring contains the text "LICENSED PROFESSIONAL LAND SURVEYOR" at the top and "OKLAHOMA" at the bottom. Inside this ring is a smaller circle with a beaded border. Within the beaded circle, the text "LANCE G. MATHIS" is centered above the license number "1664".



Well Location Plat

Sec. 8-8N-7W I.M.

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: COTNER 1H-8

Surface Hole Location: 250' FNL - 790' FWL Gr. Elevation: 1192'

NE/4-NW/4-NW/4-NW/4 Section: 8 Township: 8N Range: 7W I.M.

Bottom Hole Location: 165' FSL - 600' FWL

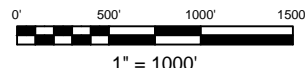
SE/4-SW/4-SW/4-SW/4 Section: 8 Township: 8N Range: 7W I.M.

County: Grady State of Oklahoma

Terrain at Loc.: Location fell in a open wheat field.



All bearings shown
are grid bearings.



GPS DATUM

NAD 83

NAD 27

OK SOUTH ZONE

Surface Hole Loc.:
Lat: 35°11'19.10"N
Lon: 97°58'02.90"W
Lat: 35.18863777
Lon: -97.96747189
X: 1978220
Y: 675206

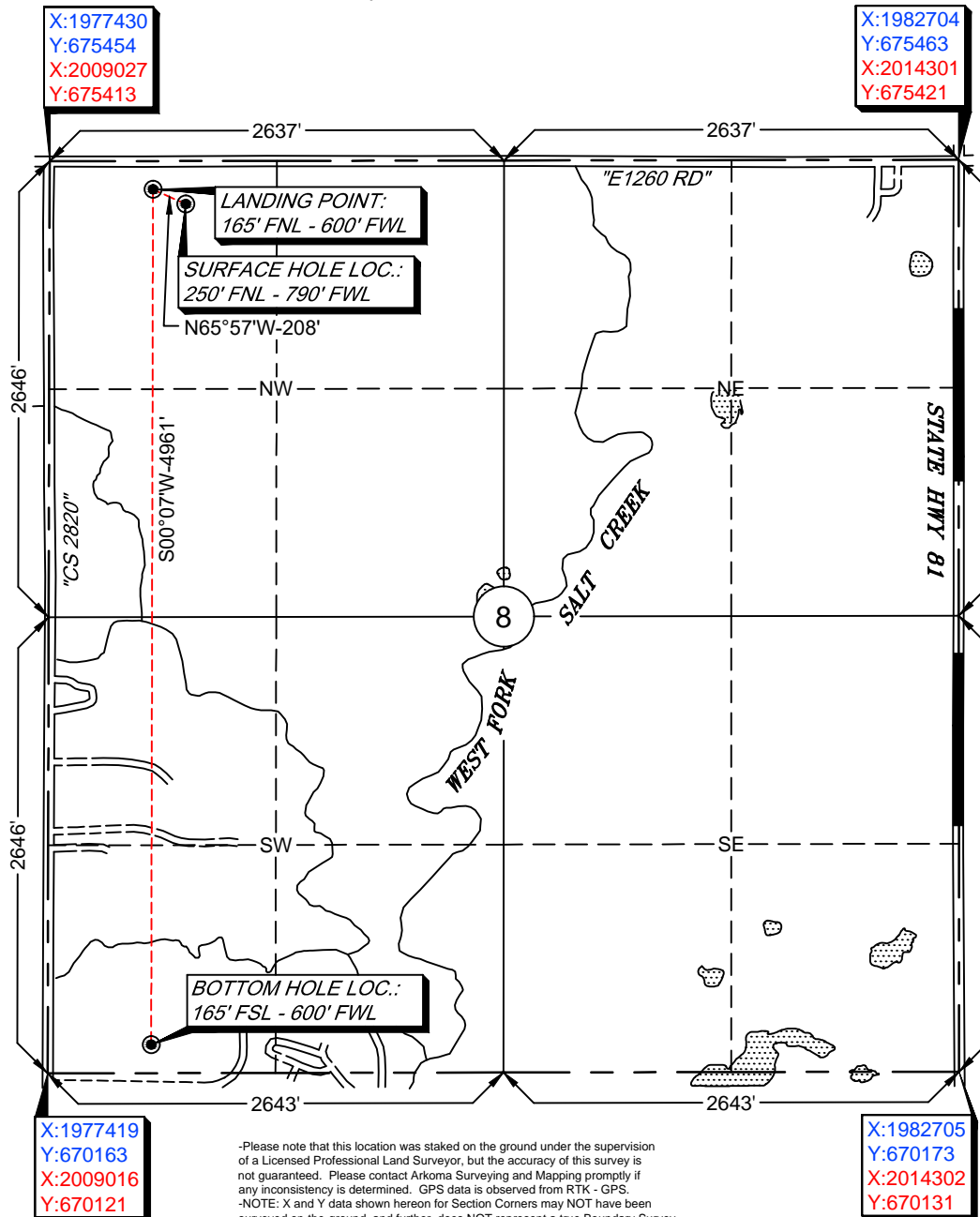
Surface Hole Loc.:
Lat: 35°11'18.87"N
Lon: 97°58'01.73"W
Lat: 35.18857554
Lon: -97.96714821
X: 2009817
Y: 675164

Landing Point:
Lat: 35°11'19.93"N
Lon: 97°58'05.19"W
Lat: 35.18887065
Lon: -97.96810705
X: 1978030
Y: 675290

Landing Point:
Lat: 35°11'19.71"N
Lon: 97°58'04.02"W
Lat: 35.18880844
Lon: -97.96778335
X: 2009627
Y: 675248

Bottom Hole Loc.:
Lat: 35°10'30.86"N
Lon: 97°58'05.33"W
Lat: 35.17523983
Lon: -97.96814693
X: 1978020
Y: 670329

Bottom Hole Loc.:
Lat: 35°10'30.64"N
Lon: 97°58'04.16"W
Lat: 35.17517738
Lon: -97.96782339
X: 2009616
Y: 670287



-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, 2022

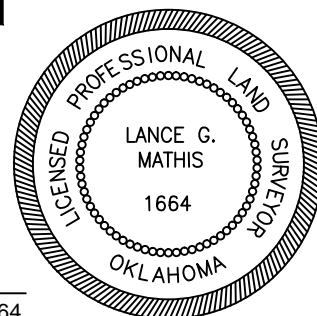
Certification:

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
LANCE G. MATHIS

09/20/2021

OK LPLS 1664



Invoice #9602-A

Date Staked: 09/16/2021 By: D.W.

Date Drawn: 09/17/2021 By: J.L.

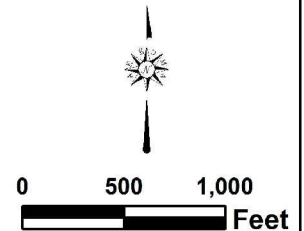


Anti-Collision

Sec. 8-8N-7W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: COTNER 1H-8
Surface Hole Location: 250' FNL - 790' FWL
Landing Point: 165' FNL - 600' FWL
Bottom Hole Location: 165' FSL - 600' FWL
Section: 8 Township: 8N Range: 7W I.M.
County: Grady State of Oklahoma

- | | |
|-----------------|------------------|
| ● SHL | ▭ PAD |
| ● LP & BHL | ▭ Counties |
| Bore Path | ▭ Township-Range |
| ● OCC Wells | ▭ Sections |





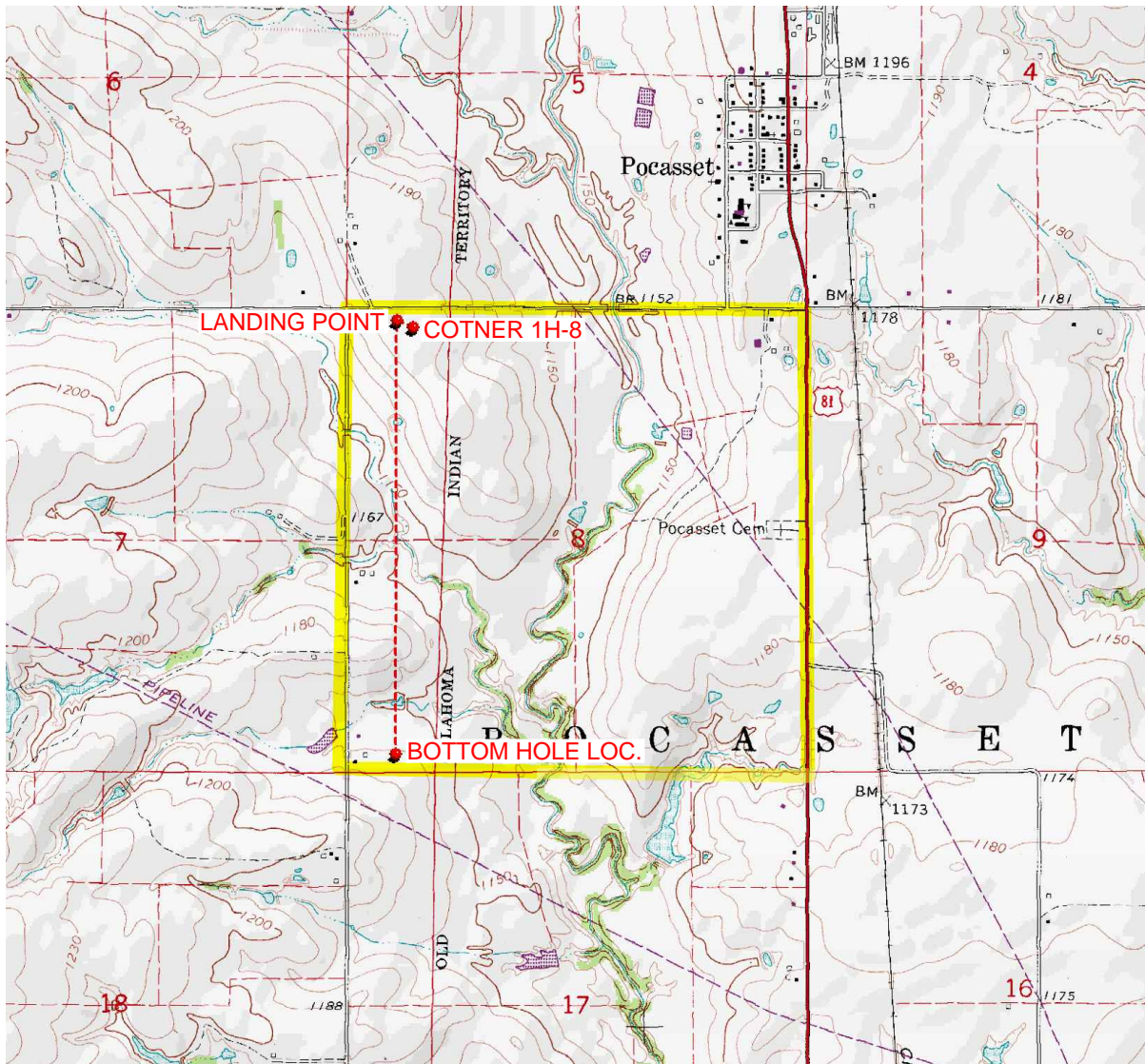
Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: COTNER 1H-8
Surface Hole Location: 250' FNL - 790' FWL
Landing Point: 165' FNL - 600' FWL
Bottom Hole Location: 165' FSL - 600' FWL
Section: 8 Township: 8N Range: 7W I.M.
County: Grady State of Oklahoma



Scale 1" = 2000'
Contour Interval: 10'

Ground Elevation at Surface Hole Location: 1192'



Provided by:
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Ph. 918-465-5711 Fax 918-465-5030

Certificate of Authorization No. 5348
Expires June 30, 2022

Date Staked: 09/16/2021

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.

County Highway Vicinity Map



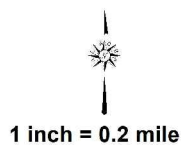
Job #: 9602-A

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: COTNER 1H-8

Accessibility: From the Southwest.

Directions: From the junction of Highway 81 & "E1260 RD." in Grady CO., OK, go 0.9 miles West on "E1260 RD." to the Northwest Quarter of Section 8-8N-7W with the pad location being on the South side of "E1260 RD.".



provided by:
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Expires June 30, 2022

