

API NUMBER: 017 25600 A

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

Approval Date: 12/07/2021
Expiration Date: 06/07/2023

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 07 Township: 10N Range: 5W County: CANADIAN

SPOT LOCATION: ☐ NE ☐ NE ☐ NE ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2375 2405

Lease Name: DARROW TRUST Well No: 1H-7-6 Well will be 2375 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

SHERYL DARROW
P.O. BOX 447
MUSTANG OK 73064

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	9100

Spacing Orders: 712358
712818

Location Exception Orders: 712771
718955

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 17394 Ground Elevation: 1290

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 160

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: 20-37198

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: 20000

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.

MULTI UNIT HOLE 1					
Section: 6	Township: 10N	Range: 5W	Meridian: IM	Total Length: 7971	
County: CANADIAN			Measured Total Depth: 17394		
Spot Location of End Point: N2 N2 N2 NW			True Vertical Depth: 9150		
Feet From: NORTH		1/4 Section Line: 165		End Point Location from	
Feet From: WEST		1/4 Section Line: 1320		Lease, Unit, or Property Line: 165	

Additional Surface Owner(s)	Address	City, State, Zip
SHERYL DARROW	P.O. BOX 447	MUSTANG, OK 73064

NOTES:	
Category	Description
DEEP SURFACE CASING	1/31/2020 - 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	1/31/2020 - GC2 - 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
LOCATION EXCEPTION - 712771	12/7/2020 - G56 - (I.O.) 6 & 7-10N-5W X712358 MSSP SHL (7-10N-5W) 2375' FSL, 2405' FWL COMPL INT (7-10N-5W) NCT 660' FSL, NCT 0' FNL, NCT 660' FWL COMPL INT (6-10N-5W) NCT 165' FNL, NCT 0' FSL, NCT 660' FWL CITIZEN ENERGY III, LLC 7/1/2020
LOCATION EXCEPTION - 718955	[12/7/2021 - G56] - EXTENSION OF TIME FOR ORDER # 712771
MEMO	1/31/2020 - GC2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - DRY CREEK), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 712358	12/7/2021 - G56 - (640)(HOR) 6 & 7-10N-5W EST MSSP POE TO BHL NCT 660' FB (COEXIST WITH SP # 237454, # 581353 & # 593381 MISS)
SPACING - 712818	12/7/2021 - G56 - (E.O.) 6 & 7-10N-5W EST MULTIUNIT HORIZONTAL WELL X712358 MSSP 33% 7-10N-5W 67% 6-10N-5W CITIZEN ENERGY III, LLC 7/2/2020