

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

API NUMBER: 017 25618

Approval Date: 04/08/2020
Expiration Date: 10/08/2021

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 08 Township: 11N Range: 8W County: CANADIAN

SPOT LOCATION: ☐ N2 ☐ NE ☐ NW ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 260 990

Lease Name: JENSEN Well No: 1H-8 Well will be 260 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

STEVE AND PETE JENSEN
1000 EAST JENSEN ROAD
EL RENO OK 73036

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

Name	Code	Depth
1 WOODFORD	319WDFD	11700

Spacing Orders: 138433

Location Exception Orders: 703310

Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 22230

Ground Elevation: 1383

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 410

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: 20-37343
H. 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: 11N	Range: 8W	Total Length: 4934	
County: CANADIAN			Measured Total Depth: 17000	
Spot Location of End Point: S2	S2	SW	SW	True Vertical Depth: 11750
Feet From: SOUTH	1/4 Section Line: 165		End Point Location from	
Feet From: WEST	1/4 Section Line: 660		Lease, Unit, or Property Line: 165	

NOTES:

Category	Description
DEEP SURFACE CASING	4/5/2020 - 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	4/5/2020 - 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: 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 - 703310 (201903870)	4/8/2020 - GC2 - (I.O.) 8-11N-8W X138433 WDFD COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FWL CITIZEN ENERGY III, LLC 10-7-2019
MEMO	4/5/2020 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 138433	4/8/2020 - GC2 - (640) 8-11N-8W EST WDFD, OTHER

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.

017 25618 JENSEN 1H-8



Well Location Plat

Sec. 8-11N-8W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: JENSEN 1H-8 ALT
Footage: 260' FNL - 990' FWL Gr. Elevation: 1383'
Section: 8 Township: 11N Range: 8W I.M.
County: Canadian State of Oklahoma
Terrain at Loc.: Location fell in an open field.

API: 017-25618



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, 2020

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.

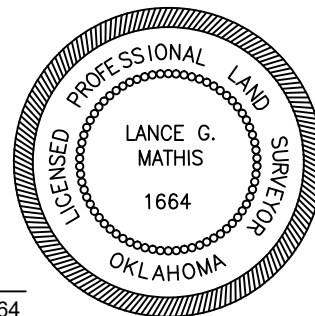
Invoice #8948-A-ALT

Date Staked: 12/11/19 By: S.O.
Date Drawn: 12/18/19 By: M.K.

LANCE G. MATHIS

12/18/19

OK LPLS 1664





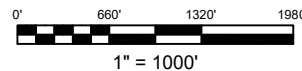
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All bearings shown
are grid bearings.



GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc.:
Lat: 35°26'55.86"N
Lon: 98°04'31.25"W
Lat: 35.44885013
Lon: -98.07534758
X: 1946057
Y: 163400

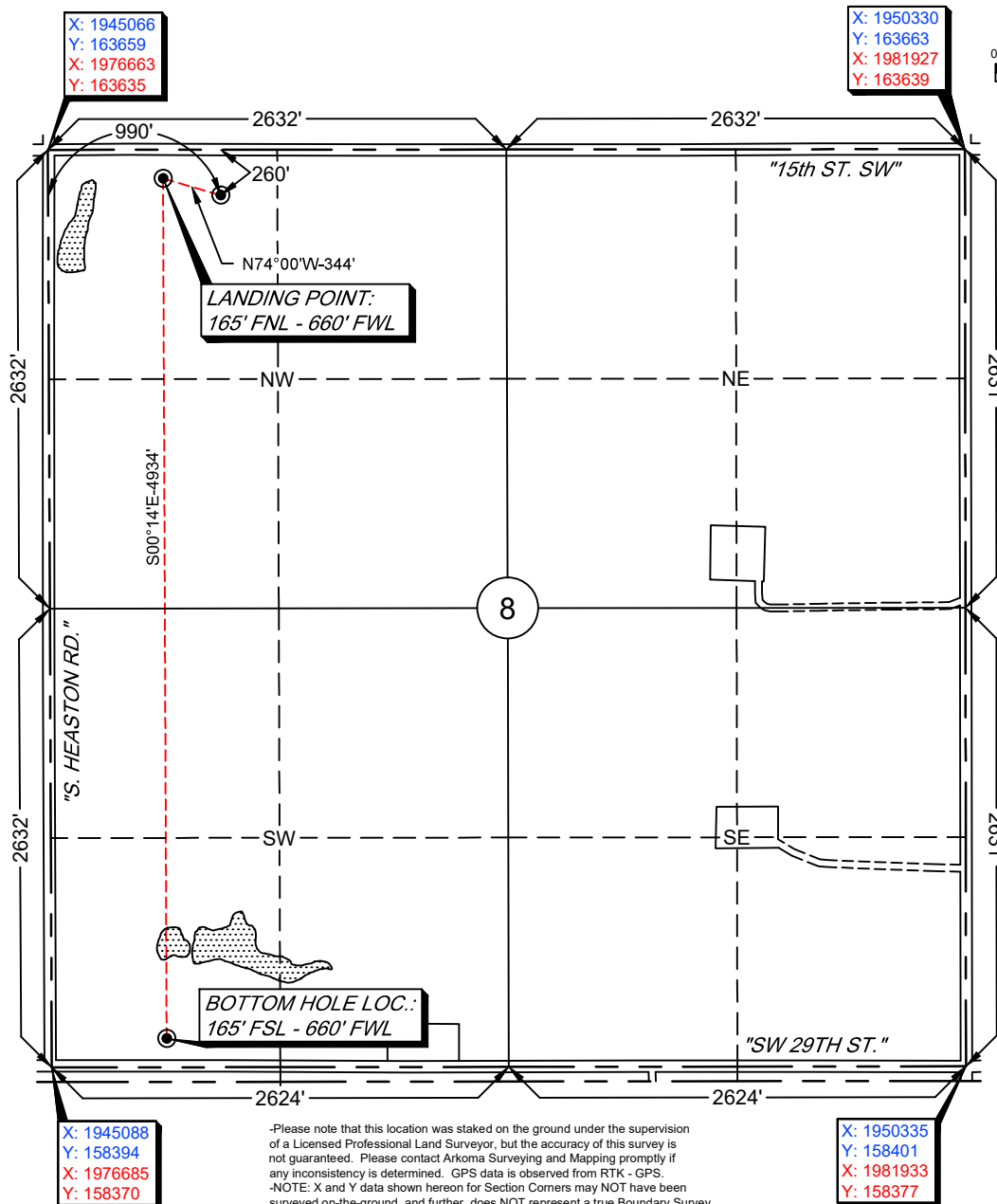
Surface Hole Loc.:
Lat: 35°26'55.67"N
Lon: 98°04'30.07"W
Lat: 35.44879636
Lon: -98.07501807
X: 1977654
Y: 163376

Landing Point:
Lat: 35°26'56.79"N
Lon: 98°04'35.25"W
Lat: 35.44910964
Lon: -98.07645704
X: 1945726
Y: 163494

Landing Point:
Lat: 35°26'56.60"N
Lon: 98°04'34.06"W
Lat: 35.44905588
Lon: -98.07612749
X: 1977324
Y: 163470

Bottom Hole Loc.:
Lat: 35°26'08.00"N
Lon: 98°04'34.95"W
Lat: 35.43555514
Lon: -98.07637508
X: 1945747
Y: 158560

Bottom Hole Loc.:
Lat: 35°26'07.80"N
Lon: 98°04'33.76"W
Lat: 35.43550096
Lon: -98.07604572
X: 1977344
Y: 158536



-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.

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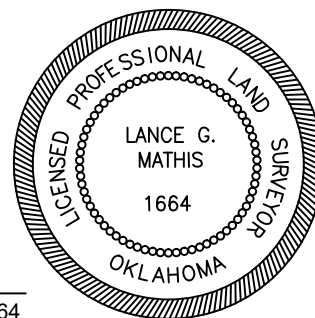
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Anti-Collision

Sec. 8-11N-8W I.M.

CITIZEN ENERGY

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: JENSEN 1H-8 ALT

Surface Hole Location: 260' FNL - 990' FWL

Landing Point: 165' FNL - 660' FWL

Bottom Hole Location: 165' FSL - 660' FWL

Sec. 8 Twp. 11N Rng. 8W I.M.

County: Canadian State of Oklahoma





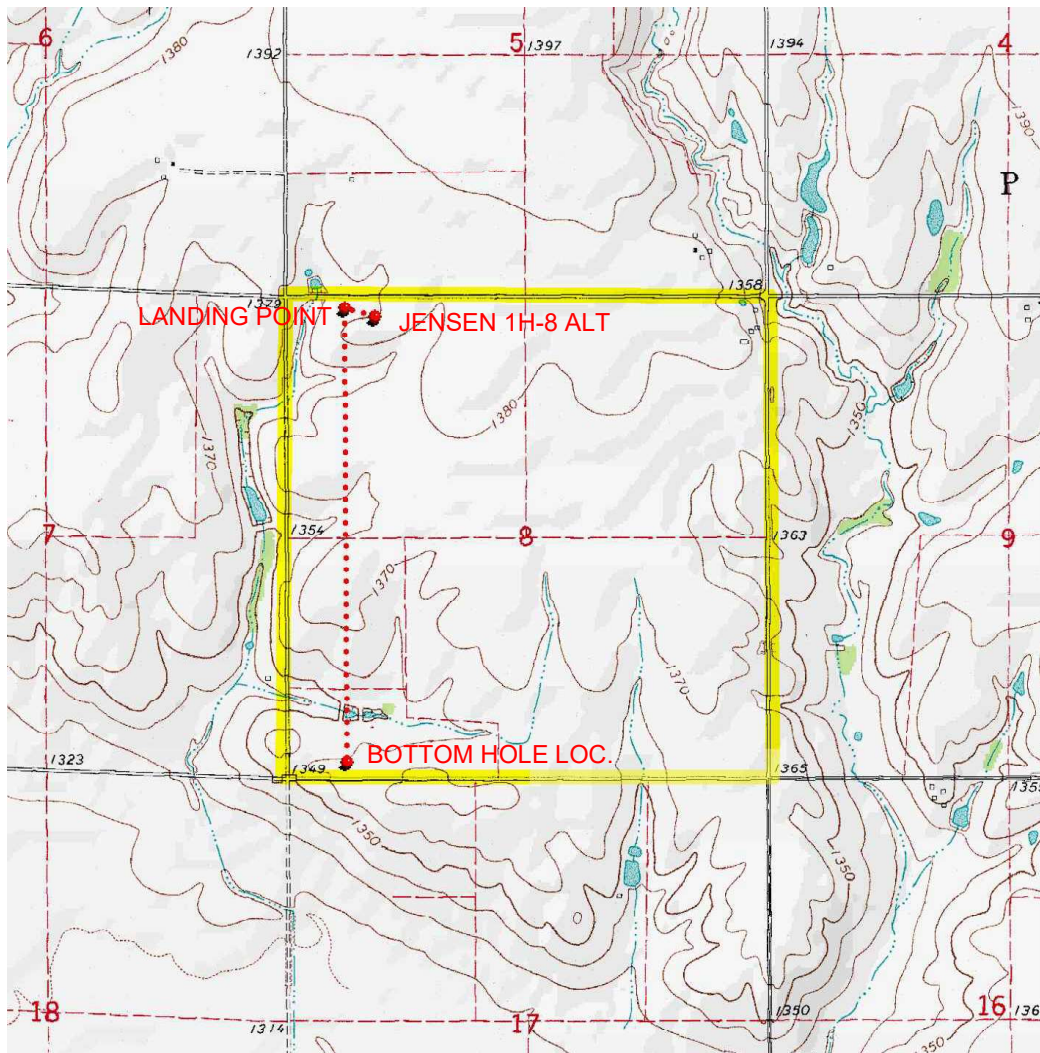
Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC
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Ground Elevation at Surface Hole Location: 1383'

Scale 1" = 2000'
Contour Interval: 10'



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Expires June 30, 2020

Date Staked: 12/11/19

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 #: 8948-A-ALT

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: JENSEN 1H-8 ALT

Accessibility: From the South.

Directions: From the junction of State HWY 152 & US HWY 81 in the town of Union City, OK, go 3.9 miles West on "Division St/74th St SW", 4.0 miles North on "S Airport Rd", then go 3.8 miles West on "15th St SW" to the Northwest Quarter of Section 8-11N-8W on the South side of the road.



1 inch = 1.25 mile

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