

API NUMBER: 017 25751 A

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

Approval Date: 12/29/2021  
Expiration Date: 06/29/2023

Multi Unit Oil & Gas

Amend reason: ADD MISSISSIPPIAN FORMATION

**AMEND PERMIT TO DRILL**

WELL LOCATION: Section: 01 Township: 10N Range: 6W County: CANADIAN

SPOT LOCATION: ☐ NW ☐ SW ☐ SW ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST  
SECTION LINES: 2244 2350

Lease Name: WALTHER Well No: 2H-1-36 Well will be 2244 feet from nearest unit or lease boundary.

Operator Name: CITIZEN ENERGY III LLC Telephone: 9189494680 OTC/OCC Number: 24120 0

CITIZEN ENERGY III LLC

TULSA, OK 74103-3729

GOLDIE ANN WALTHER REVOCABLE TRUST

14000 SW 89TH STREET

MUSTANG OK 73064

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	8100
2	WOODFORD	319WDFD	8300

Spacing Orders: 666770	Location Exception Orders: 726844	Increased Density Orders: 719864
669273	719444	727559
719480	719443	733369
231308	726842	
719479		

Pending CD Numbers: 202300890

Working interest owners' notified: YES

Special Orders: No Special

Total Depth: 16500

Ground Elevation: 1262

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 260

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: 21-38020

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: 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 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: 36	Township: 11N	Range: 6W	Meridian: IM	Total Length: 7254	
	County: CANADIAN			Measured Total Depth: 16500	
Spot Location of End Point: NW	NE	NE	NW	True Vertical Depth: 9100	
Feet From: <b>NORTH</b>		1/4 Section Line: 165		End Point Location from	
Feet From: <b>WEST</b>		1/4 Section Line: 2062		Lease, Unit, or Property Line: 165	

#### NOTES:

Category	Description
DEEP SURFACE CASING	[12/21/2021 - 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>[12/21/2021 - 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: <a href="http://OCCWEB.COM/OG/OGFORMS.HTML">OCCWEB.COM/OG/OGFORMS.HTML</a>; 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 <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
INCREASED DENSITY - 727559	<p>[5/12/2023 - G56] - 36-11N-6W X666770 WDFD 2 WELLS CITIZEN ENERGY III, LLC 8/10/2022</p>
INCREASED DENSITY - 733369	<p>[5/12/2023 - G56] - 36-11N-6W X666770 MSSP*** 3 WELLS CITIZEN ENERGY III, LLC 3/31/2023</p> <p>*** S/B X231308 MSSP, WILL BE CORRECTED VIA NPT PER ATTORNEY FOR OPERATOR;</p>
INCREASED DENSITY – 719864	<p>[12/29/2021 - GB6] - 1-10N-6W X669273 WDFD 4 WELLS CITIZEN ENERGY III, LLC 08/03/2021</p>
LOCATION EXCEPTION - 719443	<p>[5/12/2023 - G56] - (I.O.) 1-10N-6W &amp; 36-11N-6W X669273 MSSP 1-10N-6W X231308 MSSP 36-11N-6W COMPL INT (1-10N-6W) NCT 2640' FSL, NCT 0' FNL, NCT 2640' FEL COMPL INT (36-11N-6W) NCT 165' FNL, NCT 0' FSL, NCT 2640' FEL) CITIZEN ENERGY III, LLC 7/14/2021</p>
LOCATION EXCEPTION - 726842	[5/12/2023 - G56] - EXT OF TIME FOR ORDER # 719443
LOCATION EXCEPTION - 726844	[5/12/2023 - G56] - EXT OF TIME FOR ORDER # 719444
LOCATION EXCEPTION – 719444 (202101040)	<p>[12/29/2021 - GB6] - (I.O.) 1-10N-6W &amp; 36-11N-6W X669273 WDFD 1-10N-6W X666770 WDFD 36-11N-6W COMPL. INT. (1-10N-6W) NCT 2640' FSL, NCT 0' FNL, NCT 1600' FWL COMPL. INT. (36-11N-6W) NCT 0' FSL, NCT 165' FNL, NCT 1600' FWL CITIZEN ENERGY III, LLC 07/14/2021</p>
MEMO	[12/21/2021 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

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.

PENDING CD - 202300890	[5/12/2023 - G56] - 1-10N-6W X669273 MSSP 4 WELLS CITIZEN ENERGY III, LLC REC 4/17/2023 (BEESE)
SPACING - 231308	[5/11/2023 - G56] - (640) 36-11N-6W VAC OTHERS EXT OTHER EST OTHERS VAC 189474 MSSLM, OTHERS EXT 148788 MSSP, OTHERS
SPACING - 719479	[5/12/2023 - G56] - (I.O.) 1-10N-6W & 36-11N-6W EST MULTIUNIT HORIZONTAL WELL X699273 MSSP 1-10N-6W X231308 MSSP 36-11N-6W 33% 1-10N-6W 67% 36-11N-6W CITIZEN ENERGY III, LLC 7/15/2021
SPACING – 666770	[12/29/2021 - GB6] - (640)(HOR) 36-11N-6W EXT 655175 WDFD COMPL. INT. (WDFD) NLT 165' FNL, NLT 165' FSL, NLT 330' FWL, NLT 330' FEL (COEXIST 189474 WDFD)
SPACING – 669273	[5/11/2023 - G56] - (640)(HOR) 1-10N-6W EST MSSP, WDFD COMPL INT (MSSP) NLT 660' FB COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL (COEXIST WITH SP # 244335 MISS)
SPACING – 719480 (202101039)	[12/29/2021 - GB6] - (I.O.) 1-10N-6W & 36-11N-6W EST MULTIUNIT HORIZONTAL WELL X669273 WDFD 1-10N-6W X666770 WDFD 36-11N-6W 33% 1-10N-6W 67% 36-11N-6W CITIZEN ENERGY III, LLC 07/15/2021