

API NUMBER: 051 24797

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

Approval Date: 09/04/2020
Expiration Date: 03/04/2022

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 14 Township: 9N Range: 5W County: GRADY

SPOT LOCATION: SE NE NE NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 455 2415

Lease Name: BRIDGE CREEK Well No: 1H-14 Well will be 455 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

WAYNE GEORGE COLLINS
2434 HILL ROAD
OKLAHOMA CITY OK 73170

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	9500

Spacing Orders: 663968

Location Exception Orders: No Exceptions

Increased Density Orders: No Density Orders

Pending CD Numbers: 202001467
202001466

Working interest owners' notified: ***

Special Orders: No Special Orders

Total Depth: 14805 Ground Elevation: 1301

Surface Casing: 380

Depth to base of Treatable Water-Bearing FM: 330

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: 20-37261
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? Y

Wellhead Protection Area? Y

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? Y

Wellhead Protection Area? Y

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: 14	Township: 9N	Range: 5W	Meridian: IM	Total Length: 4982
	County: GRADY			Measured Total Depth: 14805
Spot Location of End Point: S2	S2	S2	SE	True Vertical Depth: 9550
Feet From: SOUTH		1/4 Section Line: 165		End Point Location from
Feet From: EAST		1/4 Section Line: 1320		Lease, Unit, or Property Line: 165

NOTES:

Category	Description
HYDRAULIC FRACTURING	9/1/2020 - 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
MEMO	9/1/2020 - GC2 - CLOSED SYSTEM=STEEL PITS (REQUIRED-COUNTRY MHP), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202001466	9/3/2020 - G56 - (E.O.) 14-9N-5W X663968 MSSP 2 WELLS CITIZEN ENERGY III, LLC REC 8/28/2020 (MOORE)
PENDING CD - 202001467	9/3/2020 - G56 - (E.O.) 14-9N-5W X663968 MSSP COMPL INT NCT 165' FNL, NCT 165' FSL, NCT 660' FEL CITIZEN ENERGY III, LLC REC 8/28/2020 (MOORE)
PUBLIC WATER SUPPLY	9/1/2020 - GC2 - COUNTRY MHP - 1 PWS/WPA, NE/4 14-9N-5W - NO DSC
SPACING - 663968	9/3/2020 - G56 - (640)(HOR) 14-9N-5W EXT 655130 MSSP, OTHER COMPL INT NLT 660' FB