

API NUMBER: 137 27652

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

Approval Date: 01/26/2022

Expiration Date: 07/26/2023

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 35 Township: 1N Range: 5W County: STEPHENS

SPOT LOCATION: ☐ SE ☐ SE ☐ SW ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 310 1510

Lease Name: PRAIRIEDALE Well No: 3-35HW Well will be 310 feet from nearest unit or lease boundary.

Operator Name: CITATION OIL & GAS CORPORATION Telephone: 2818911000; 2818911000 OTC/OCC Number: 14156 0

CITATION OIL & GAS CORPORATION
14077 CUTTEN RD
HOUSTON, TX 77069-2212

LLOYD E & SHERRI J ELY
297297 E 1730 ROAD
DUNCAN OK 73533

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

Name	Code	Depth
1 WOODFORD	319WDFD	10725

Spacing Orders: 669539

Location Exception Orders: 723023

Increased Density Orders: 722863

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 16987

Ground Elevation: 1076

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 620

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: 22-38053

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: PURCELL

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: PURCELL

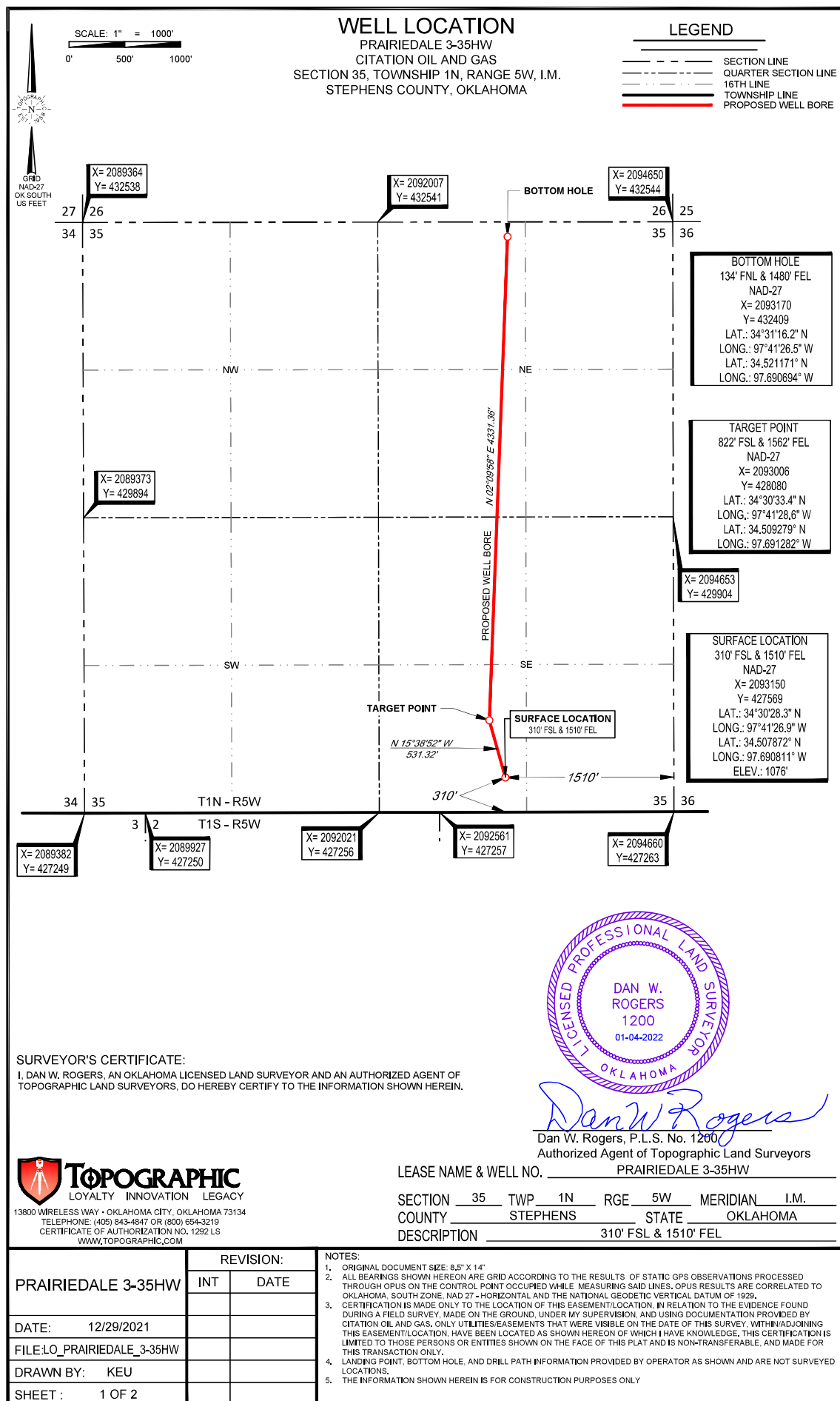
This permit does not address the right of entry or settlement of surface damages. The duration of this permit is 18 MONTHS, except as otherwise provided by Rule 165: 10-3-1. Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

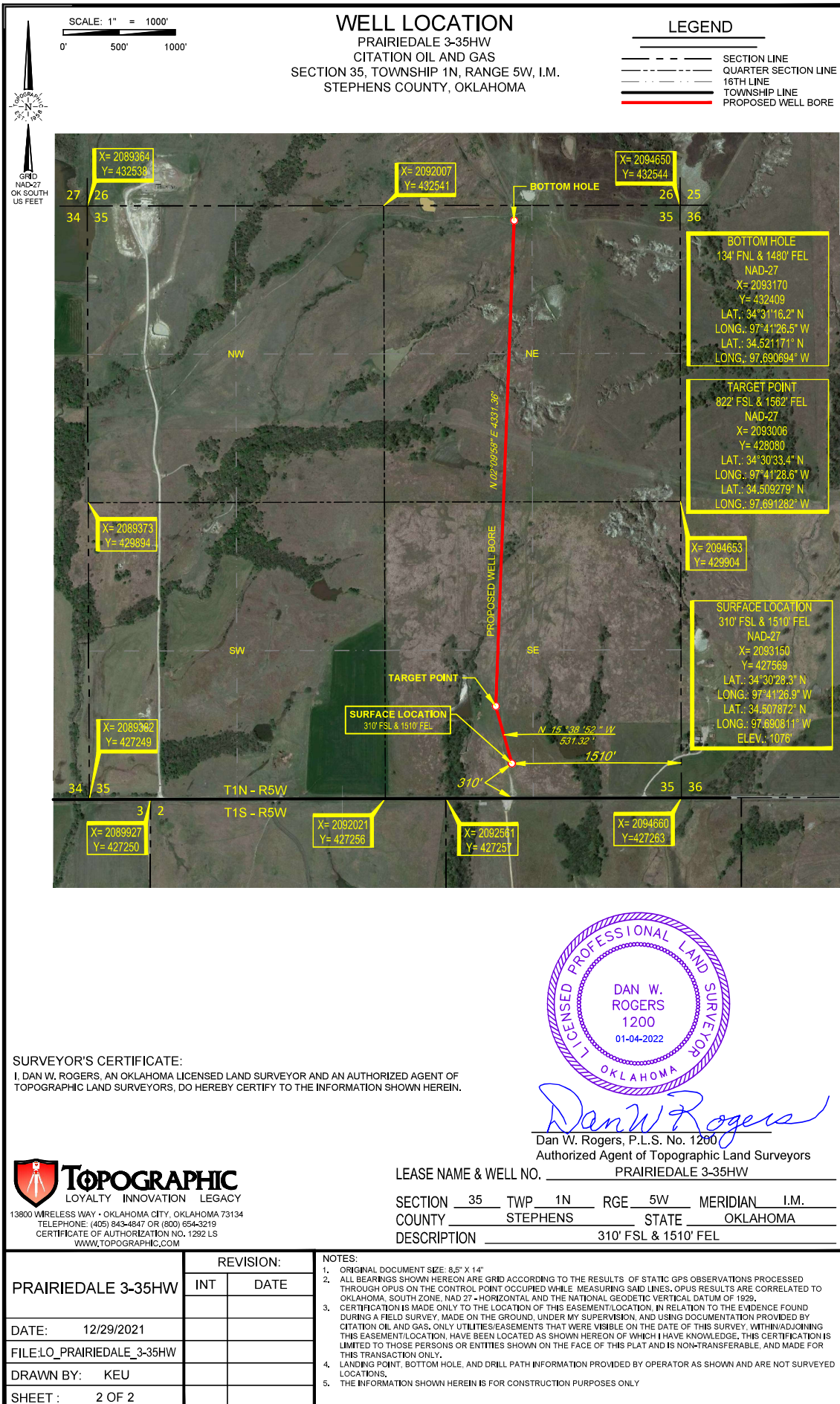
HORIZONTAL HOLE 1

Section: 35 Township: 1N Range: 5W Meridian: IM Total Length: 4329
 County: STEPHENS Measured Total Depth: 16987
 Spot Location of End Point: NE NE NW NE True Vertical Depth: 12003
 Feet From: **NORTH** 1/4 Section Line: 134 End Point Location from
 Feet From: **EAST** 1/4 Section Line: 1480 Lease, Unit, or Property Line: 134

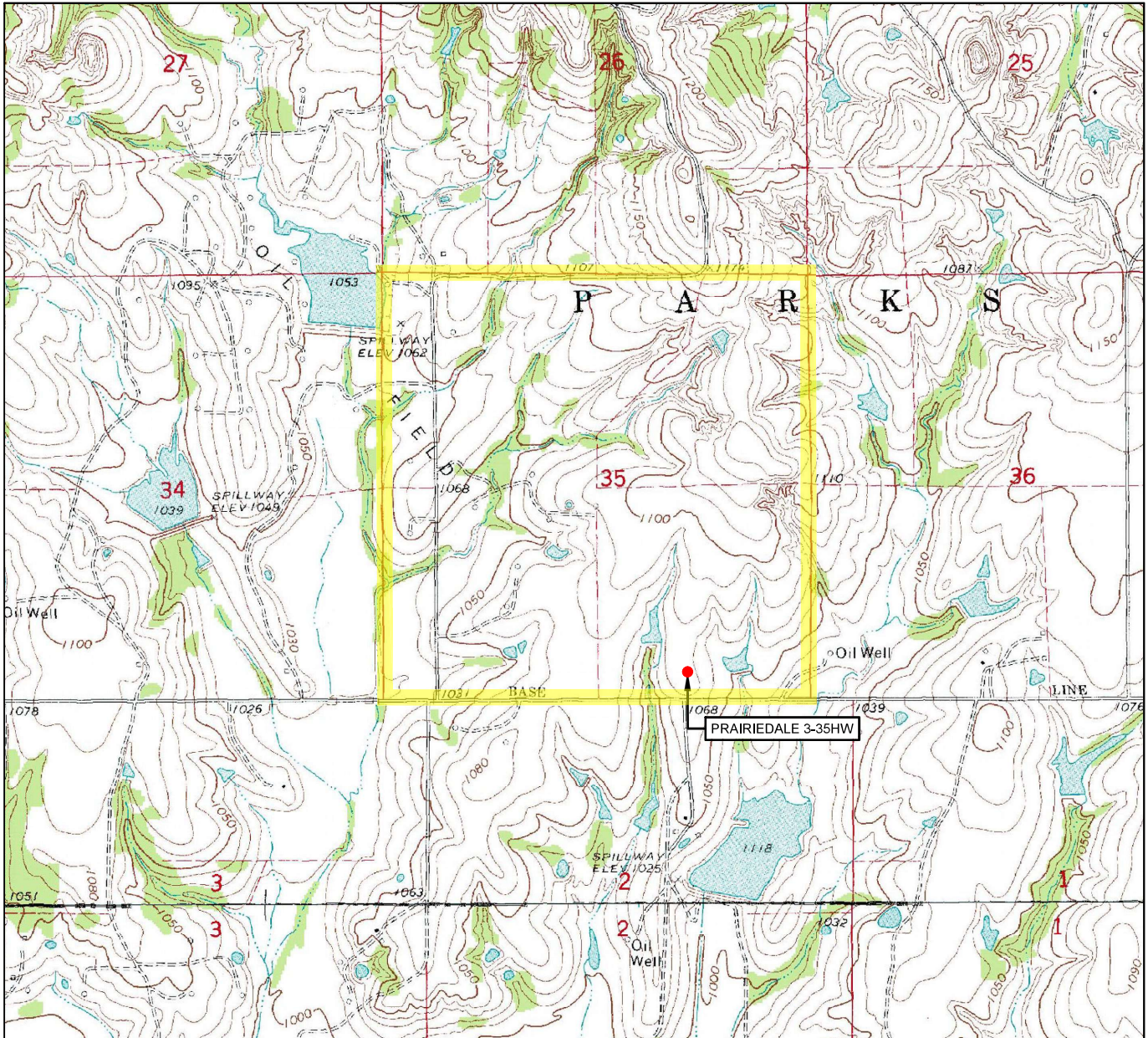
NOTES:

Category	Description
DEEP SURFACE CASING	[1/24/2022 - 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>[1/24/2022 - 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: 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>
INCREASED DENSITY - 722863	<p>[1/26/2022 - G56] - (I.O.) 35-1N-5W X669539 WDFD 4 WELLS NO OP NAMED 1/14/2022</p>
LOCATION EXCEPTION - 723023	<p>[1/26/2022 - G56] - (I.O.) 35-1N-5W X669539 WDFD, OTHER COMPL INT NCT 165' FNL, NCT 165' FSL, NCT 1000' FEL CITATION OIL & GAS CORP 1/25/2022</p>
MEMO	[1/24/2022 - GC2] - CLOSED SYSTEM=STEEL PITS (REQUIRED - WILDHORSE CREEK), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 669539	<p>[1/26/2022 - G56] - (640) 35-1N-5W EXT 611170 WDFD, OTHERS</p>





LOCATION & ELEVATION VERIFICATION MAP



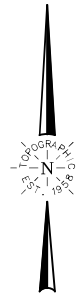
LEASE NAME & WELL NO. PRAIRIE DALE 3-35HW

SECTION 35 TWP 1N RGE 5W MERIDIAN 1.M.

COUNTY STEPHENS STATE OKLAHOMA

DESCRIPTION 310' FSL & 1510' FEL

ELEVATION 1076'



SCALE: 1" = 2000'
0' 1000' 2000'

THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY CITATION OIL AND GAS. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE OKLAHOMA STATE PLANE COORDINATE SYSTEM, SOUTH ZONE OF THE NORTH AMERICAN DATUM 1927, U.S. SURVEY FEET AND THE NATIONAL GEODETIC VERTICAL DATUM OF 1929.



TOPOGRAPHIC
LOYALTY INNOVATION LEGACY

13800 WIRELESS WAY • OKLAHOMA CITY, OKLAHOMA 73134
TELEPHONE: (405) 843-4847 OR (800) 654-3219
CERTIFICATE OF AUTHORIZATION NO. 1292 LS
WWW.TOPOGRAPHIC.COM