

API NUMBER: 051 24861

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

Approval Date: 08/27/2021
Expiration Date: 02/27/2023

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 10 Township: 9N Range: 5W County: GRADY

SPOT LOCATION: ☐ NW ☐ NW ☐ NE ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 316 1515

Lease Name: HILL TRUST Well No: 2H-3-34 Well will be 316 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

DESTROY HILL
2429 COUNTY ROAD 1230
BLANCHARD OK 73010

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	9400

Spacing Orders: 415281
419948
719830

Location Exception Orders: No Exceptions

Increased Density Orders: 719809
719810

Pending CD Numbers: 202101001

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 20000 Ground Elevation: 1255

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 120

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: 21-37739
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: 250000

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: 34	Township: 10N	Range: 5W	Meridian: IM	Total Length: 10247
County: GRADY				Measured Total Depth: 20000
Spot Location of End Point: N2	N2	N2	N2	True Vertical Depth: 9400
Feet From: NORTH	1/4 Section Line: 165		End Point Location from	
Feet From: EAST	1/4 Section Line: 2640		Lease, Unit, or Property Line: 165	

NOTES:

Category	Description
DEEP SURFACE CASING	[8/6/2021 - 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>[8/6/2021 - 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 6000NH shall be used and is found at this link: OCCWEB.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 – 719809 (202101004)	<p>[8/27/2021 - GB6] - 3-9N-5W X419948 MSSP 1 WELL CITIZEN ENERGY III, LLC 07/30/2021</p>
INCREASED DENSITY – 719810 (202101005)	<p>[8/27/2021 - GB6] - 34-10N-5W X415281 MSSP 1 WELL CITIZEN ENERGY III, LLC 07/30/2021</p>
MEMO	[8/6/2021 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD –202101001	<p>[8/27/2021 - GB6] - (I.O.) 3-9N-5W & 34-10N-5W X419948 MSSP 3-9N-5W X415281 MSSP 34-10N-5W COMPL. INT. (3-9N-5W) NCT 165' FSL, NCT 0' FNL, NCT 2640' FEL COMPL. INT. (34-10N-5W) NCT 165' FNL, NCT 0' FSL, NCT 2640' FEL CITIZEN ENERGY III, LLC REC. 06/28/2021 (MOORE)</p>
SPACING – 415281	<p>[8/27/2021 - GB6] - (640) 34-10N-5W EST WDFD, OTHERS EXT 415090 MSSP</p>
SPACING – 419948	<p>[8/27/2021 - GB6] - (640) 3-9N-5W EXT 415281 MSSP, WDFD, OTHERS EXT OTHER EST OTHER</p>
SPACING – 719830 (202101000)	<p>[8/27/2021 - GB6] - (I.O.) 3-9N-5W & 34-10N-5W EST MULTIUNIT HORIZONTAL WELL X419948 MSSP 3-9N-5W X415281 MSSP 34-10N-5W 50% 3-9N-5W 50% 34-10N-5W CITIZEN ENERGY III, LLC 08/02/2021</p>

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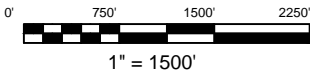
Well Location Plat

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: HILL TRUST 2H-3-34
Surface Hole Location: 316' FNL - 1515' FWL Gr. Elevation: 1255'
NW/4-NW/4-NE/4 Section: 10 Township: 9N Range: 5W I.M.
Bottom Hole Location: 165' FNL - 2640' FEL
NW/4-NW/4-NE/4 Section: 34 Township: 10N Range: 5W I.M.
County: Grady State of Oklahoma
Terrain at Loc.: Location fell in a mostly open field with trees on the West side of location and a creek on the East side.

S.H.L. Sec. 10-9N-5W I.M.
B.H.L. Sec. 34-10N-5W I.M.



All bearings shown
are grid bearings.



GPS DATUM

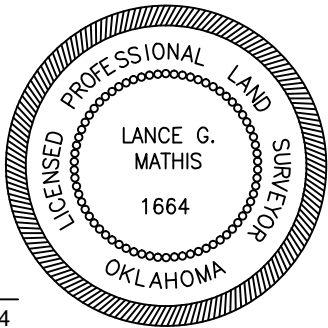
NAD 83

NAD 27

OK SOUTH ZONE

Surface Hole Loc.: Lat: 35°16'31.95"N Lon: 97°43'07.90"W Lat: 35.27554166 Lon: -97.71886067 X: 2052419 Y: 706953	Surface Hole Loc.: Lat: 35°16'31.72"N Lon: 97°43'06.75"W Lat: 35.27547882 Lon: -97.71854160 X: 2084016 Y: 706910
Landing Point: Lat: 35°16'36.75"N Lon: 97°42'54.30"W Lat: 35.27687403 Lon: -97.71508374 X: 2053545 Y: 707441	Landing Point: Lat: 35°16'36.52"N Lon: 97°42'53.15"W Lat: 35.27681120 Lon: -97.71476475 X: 2085142 Y: 707398
Bottom Hole Loc.: Lat: 35°18'18.09"N Lon: 97°42'54.36"W Lat: 35.30502495 Lon: -97.71509983 X: 2053511 Y: 717688	Bottom Hole Loc.: Lat: 35°18'17.87"N Lon: 97°42'53.21"W Lat: 35.30496301 Lon: -97.71478060 X: 2085108 Y: 717645

-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.



X:2050933
Y:701979
X:2082530
Y:701936

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, 2022.

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.

LANCE G. MATHIS

07/13/2021

OK LPLS 1664

Invoice #9270-B-B

Date Staked: 07/08/2021

By: D.W.

Date Drawn: 07/12/2021

By: S.S.



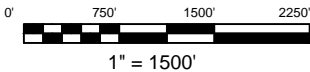
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All bearings shown
are grid bearings.



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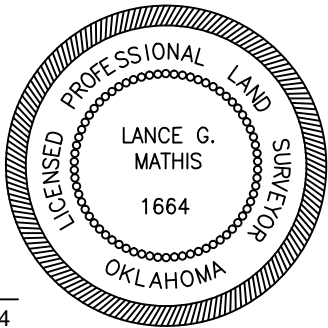
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Anti-Collision

CITIZENENERGY™

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: HILL TRUST 2H-3-34

Surface Hole Location: 316' FNL - 1515' FWL

Sec.: 10 Township: 9N Range: 5W I.M.

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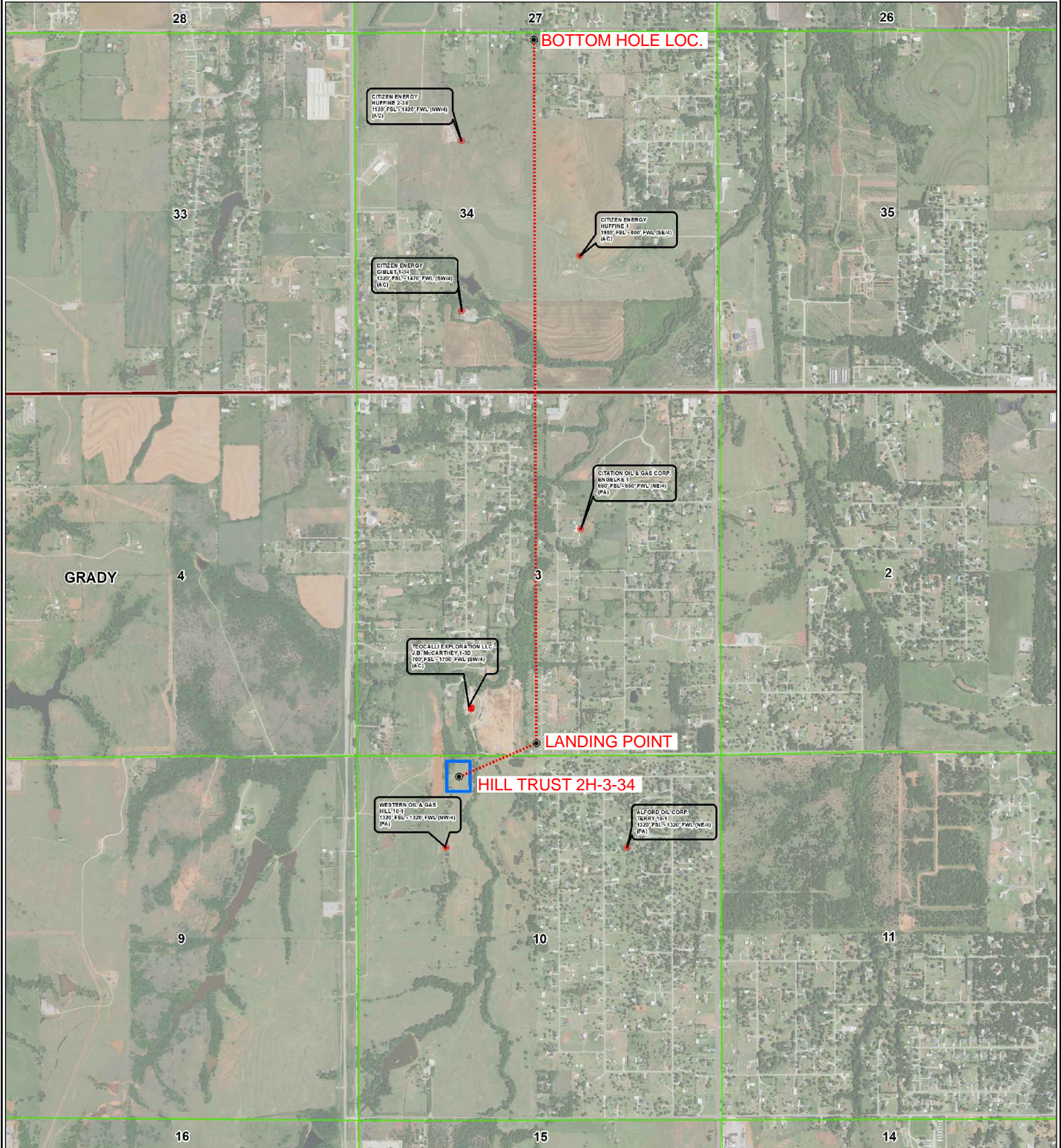
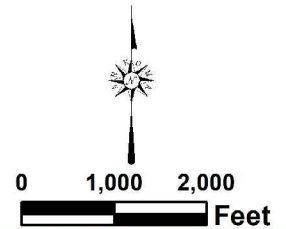
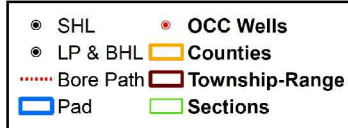
Sec.: 3 Township: 9N Range: 5W I.M.

Bottom Hole Location: 165' FNL - 2640' FEL

Sec.: 34 Township: 10N Range: 5W I.M.

County: Grady State of Oklahoma

Sec. 3 & 10-9N-5W I.M.
Sec. 34-10N-5W I.M.





Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC

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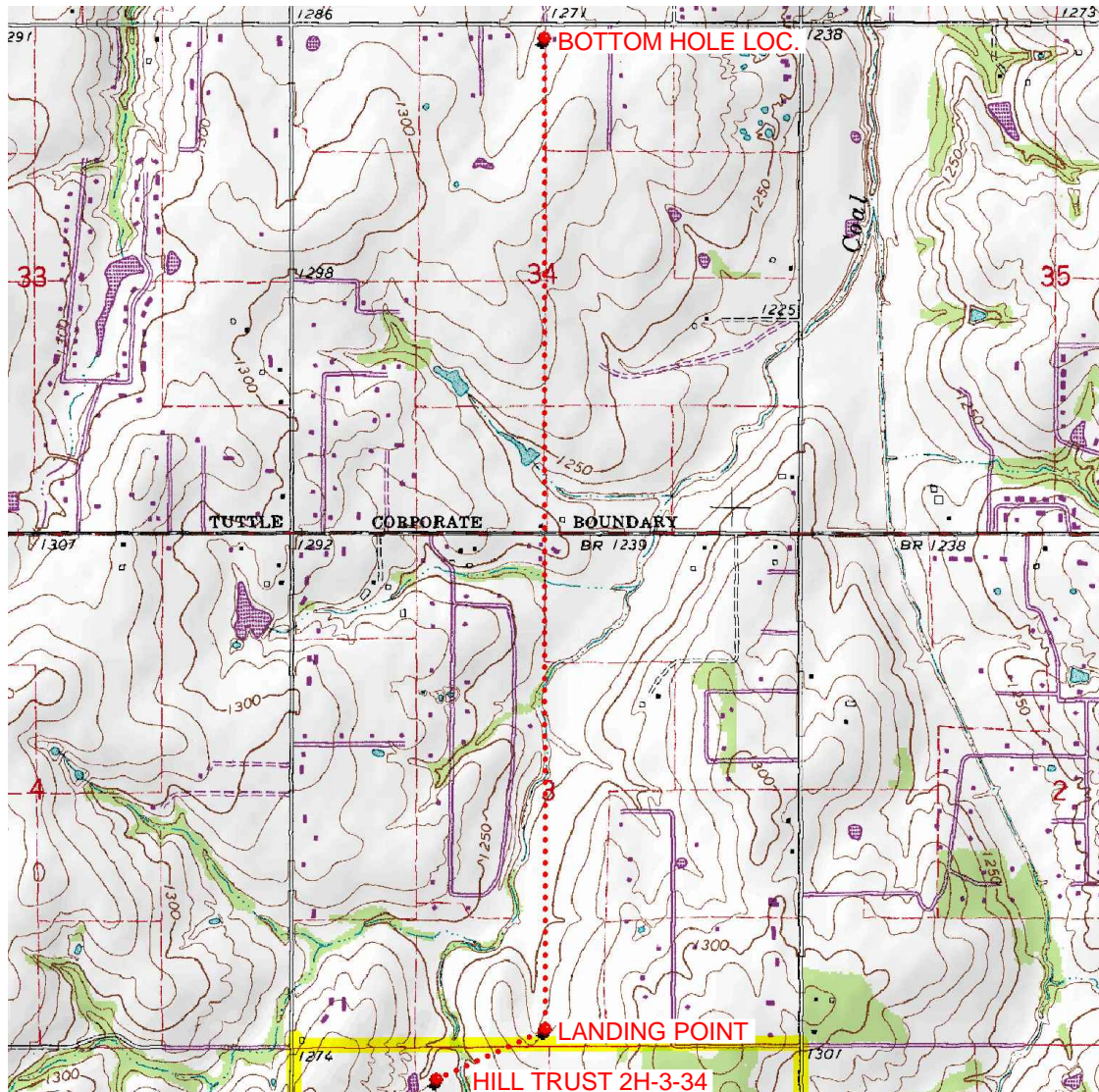
Sec.: 34 Township: 10N Range: 5W I.M.

County: Grady State of Oklahoma

Ground Elevation at Surface Hole Location: 1255'



Scale 1" = 2000'
Contour Interval: 10'



Provided 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, 2022

Date Staked: 07/08/2021

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 #: 9270-B-B

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: HILL TRUST 2H-3-34

Accessibility: From the North.

Directions: From the junction of State Highway 4 and State Highway 37 in Mustang, OK, go 1.0 mile East on HWY 37, then 1.0 mile South on

"N Sara Rd./CS 2970", then 0.5 mile West on

"E1206 Rd." to be at the Northeast side of location near the N/4 corner of Section 10-9N-5W.



1 inch = 0.25 mile

provided by:
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