

API NUMBER: 051 24929

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

Approval Date: 04/07/2022
Expiration Date: 10/07/2023

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 20 Township: 8N Range: 7W County: GRADY

SPOT LOCATION: ☐ SE ☐ SW ☐ SE ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 255 850

Lease Name: KENNEDY Well No: 1H-29-32 Well will be 255 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

TERRY LEE KENNEDY AND KIMBERLY JO KENNEDY, AS TRUSTEES
OF THE TERRY LEE AND KIMBERLY JO KENNEDY REVO
1452 COUNTY STREET 2910
TUTTLE OK 73089

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	14500
2	WOODFORD	319WDFD	14800

Spacing Orders: 678718

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202200863
202200871
202200870

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 25000

Ground Elevation: 1126

Surface Casing: 500

Depth to base of Treatable Water-Bearing FM: 410

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: 22-38173

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: ALLUVIAL

Pit Location Formation: ALLUVIUM

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? 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: ALLUVIAL

Pit Location Formation: ALLUVIUM

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: 32	Township: 8N	Range: 7W	Meridian: IM	Total Length: 10239		
County: GRADY				Measured Total Depth: 25000		
Spot Location of End Point: S2	S2	S2	SE	True Vertical Depth: 14800		
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	<p>[4/4/2022 - 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>
MEMO	[4/4/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202200863	<p>[4/6/2022 - G56] - (640)(HOR) 32-8N-7W EST MSSP, WDFD POE TO BHL (MSSP) NCT 660' FB POE TO BHL (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL REC 4/4/2022 (THOMAS)</p>
PENDING CD - 202200870	<p>[4/6/2022 - G56] - (I.O.) 29 & 32-8N-7W EST MULTIUNIT HORIZONTAL WELL X678718 MSSP, WDFD 29-8N-7W X202200863 MSSP, WDFD 32-8N-7W (MSSP IS ADJACENT CSS TO WDFD) 50% 29-8N-7W 50% 32-8N-7W NO OP NAMED REC 4/4/2022 (THOMAS)</p>
PENDING CD - 202200871	<p>[4/6/2022 - G56] - (I.O.) 29 & 32-8N-7W X678718 MSSP, WDFD 29-8N-7W X202200870 MSSP, WDFD 32-8N-7W*** COMPL INT (29-8N-7W) NCT 165' FNL, NCT 0' FSL, NCT 1320' FEL COMPL INT (32-8N-7W) NCT 165' FSL, NCT 0' FNL, NCT 1320' FEL NO OP NAMED REC 4/4/2022 (THOMAS)</p> <p>*** S/B 202200863 MSSP, WDFD 32-8N-7W; WAS CORRECTED AT HEARING PER ATTORNEY FOR OPERATOR;</p>
PUBLIC WATER SUPPLY	[4/4/2022 - GC2] - GRADY CO RWD 1 - 2 WELLS, SW/4 21-8N-7W
SPACING - 678718	<p>[4/6/2022 - G56] - (640)(HOR) 29-8N-7W EST MSSP, WDFD, OTHER COMPL INT (MSSP) NLT 660' FB COMPL INT (WDFD) NLT 165' FNL/FSL, NLT 330' FEL/FWL</p>
SURFACE CASING	[4/4/2022 - GC2] - NO DEEP SURFACE CASING ALLOW DUE TO BEING INSIDE A PUBLIC WATER SUPPLY BOUNDARY

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.

051 24929 KENNEDY 1H-29-32



A circular seal for a Professional Land Surveyor. The outer ring contains the text "LICENSED PROFESSIONAL LAND SURVEYOR" at the top and "OKLAHOMA" at the bottom. Inside this ring, the name "LANCE G. MATHIS" is written, followed by the license number "1664" below it.



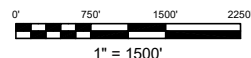
Well Location Plat

S.H.L. Sec. 20-8N-7W I.M.
B.H.L. Sec. 32-8N-7W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: KENNEDY 1H-29-32
Surface Hole Location: 255' FSL - 850' FEL Gr. Elevation: 1126'
SW/4-SW/4-SE/4-SE/4 Section: 20 Township: 8N Range: 7W I.M.
Bottom Hole Location: 165' FSL - 1320' FEL
SW/4-SW/4-SE/4-SE/4 Section: 32 Township: 8N Range: 7W I.M.
County: Grady State of Oklahoma
Terrain at Loc.: Location fell in cultivated field.



All bearings shown
are grid bearings.



GPS DATUM

NAD 83

NAD 27

OK SOUTH ZONE

Surface Hole Loc.:
Lat: 35°08'47.20"N
Lon: 97°57'19.17"W
Lat: 35.14644376
Lon: -97.95532551
X: 1981856
Y: 659849

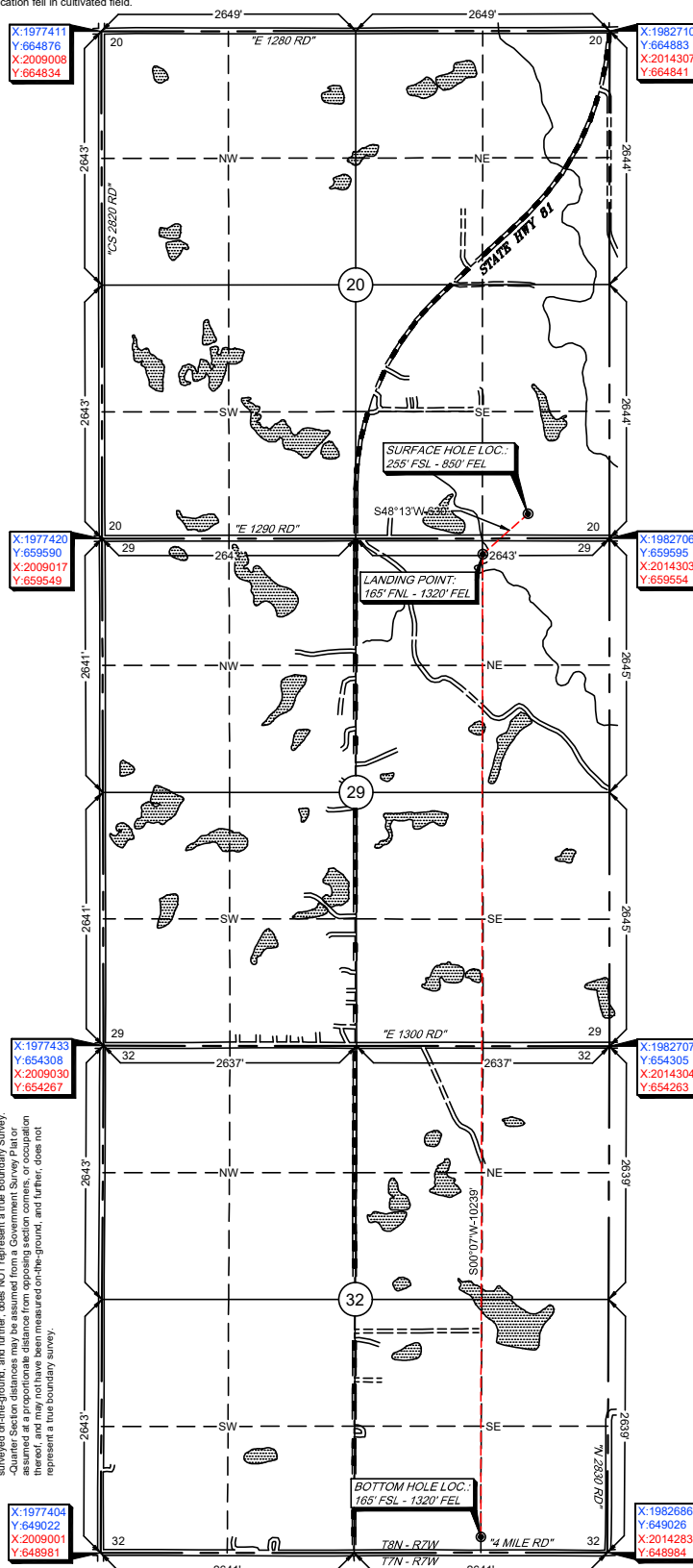
Surface Hole Loc.:
Lat: 35°08'46.97"N
Lon: -97°57'18.01"W
Lat: 35.14638066N
Lon: -97.95500258W
X: 2013453
Y: 659807

Landing Point:
Lat: 35°08'43.05"N
Lon: 97°57'24.84"W
Lat: 35.14529035
Lon: -97.95689870
X: 1981386
Y: 659429

Landing Point:
Lat: 35°08'42.82"N
Lon: 97°57'23.67"W
Lat: 35.14522724
Lon: -97.95657574
X: 2012983
Y: 659387

Bottom Hole Loc.:
Lat: 35°07'01.77"N
Lon: 97°57'25.12"W
Lat: 35.11715928
Lon: -97.95697812
X: 1981366
Y: 649190

Bottom Hole Loc.:
Lat: 35°07'01.54"N
Lon: 97°57'23.96"W
Lat: 35.11709566
Lon: -97.95665549
X: 2012963
Y: 649148



-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. 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 therefor, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.

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.

Invoice #9893-A

Date Staked: 02/18/2022

By: D.W.

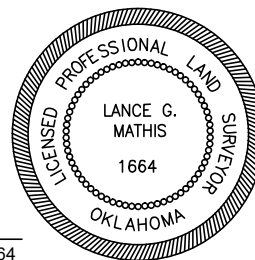
Date Drawn: 02/21/2022

By: J.L.

LANCE G. MATHIS

02/25/2022

OK LPLS 1664

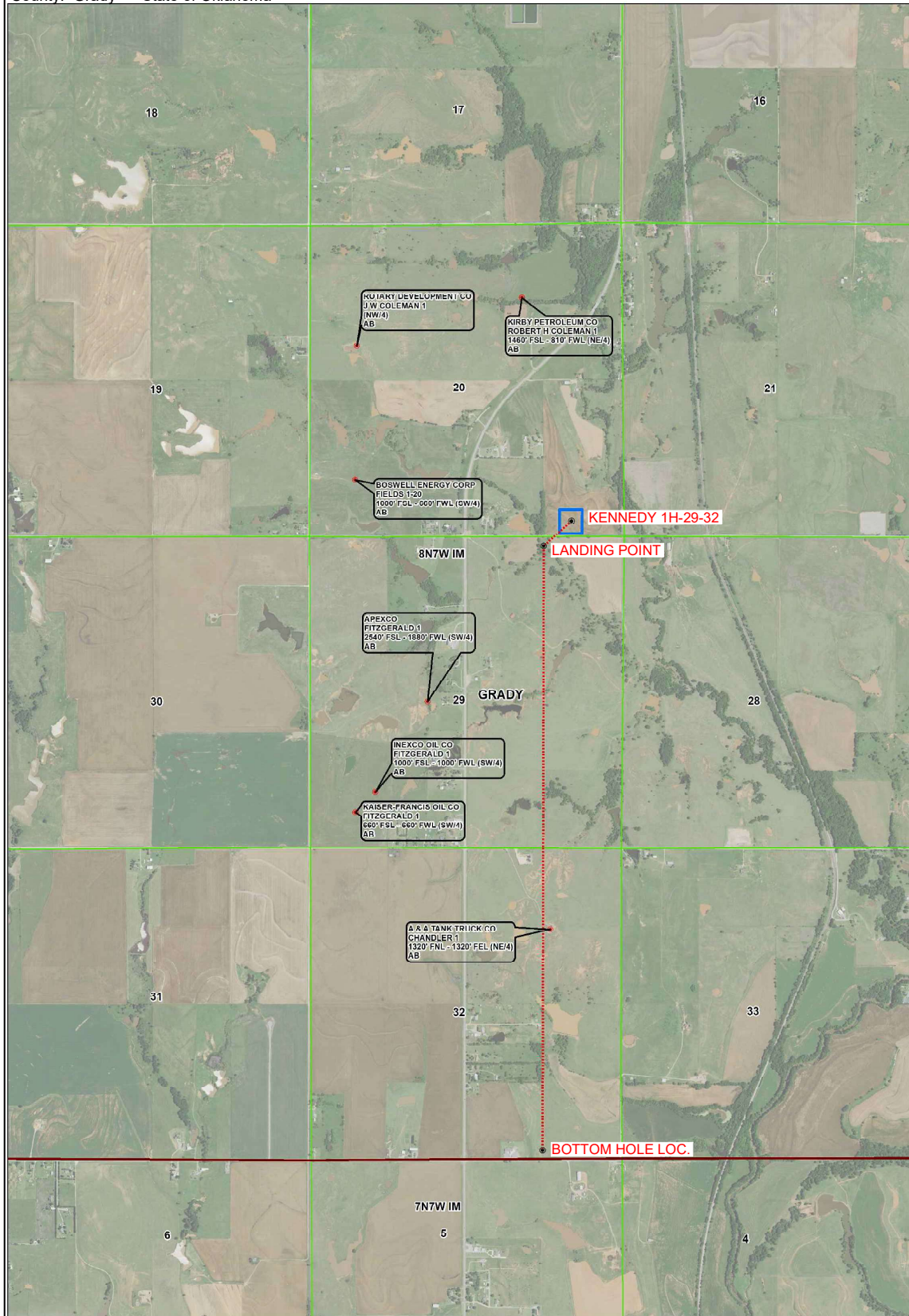
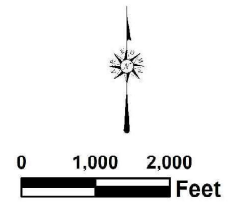




Anti-Collision

Sec(s). 20, 29, & 32-8N-7W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: KENNEDY 1H-29-32
Surface Hole Location: 255' FSL - 850' FEL
Sec. 20 Twp. 8N Rng. 7W I.M.
Landing Point: 165' FNL - 1320' FEL
Sec. 29 Twp. 8N Rng. 7W I.M.
Bottom Hole Location: 165' FSL - 1320' FEL
Sec. 32 Twp. 8N Rng. 7W I.M.
County: Grady State of Oklahoma





Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: KENNEDY 1H-29-32

Surface Hole Location: 255' FSL - 850' FEL

Sec. 20 Twp. 8N Rng. 7W I.M.

Landing Point: 165' FNL - 1320' FEL

Sec. 29 Twp. 8N Rng. 7W I.M.

Bottom Hole Location: 165' FSL - 1320' FEL

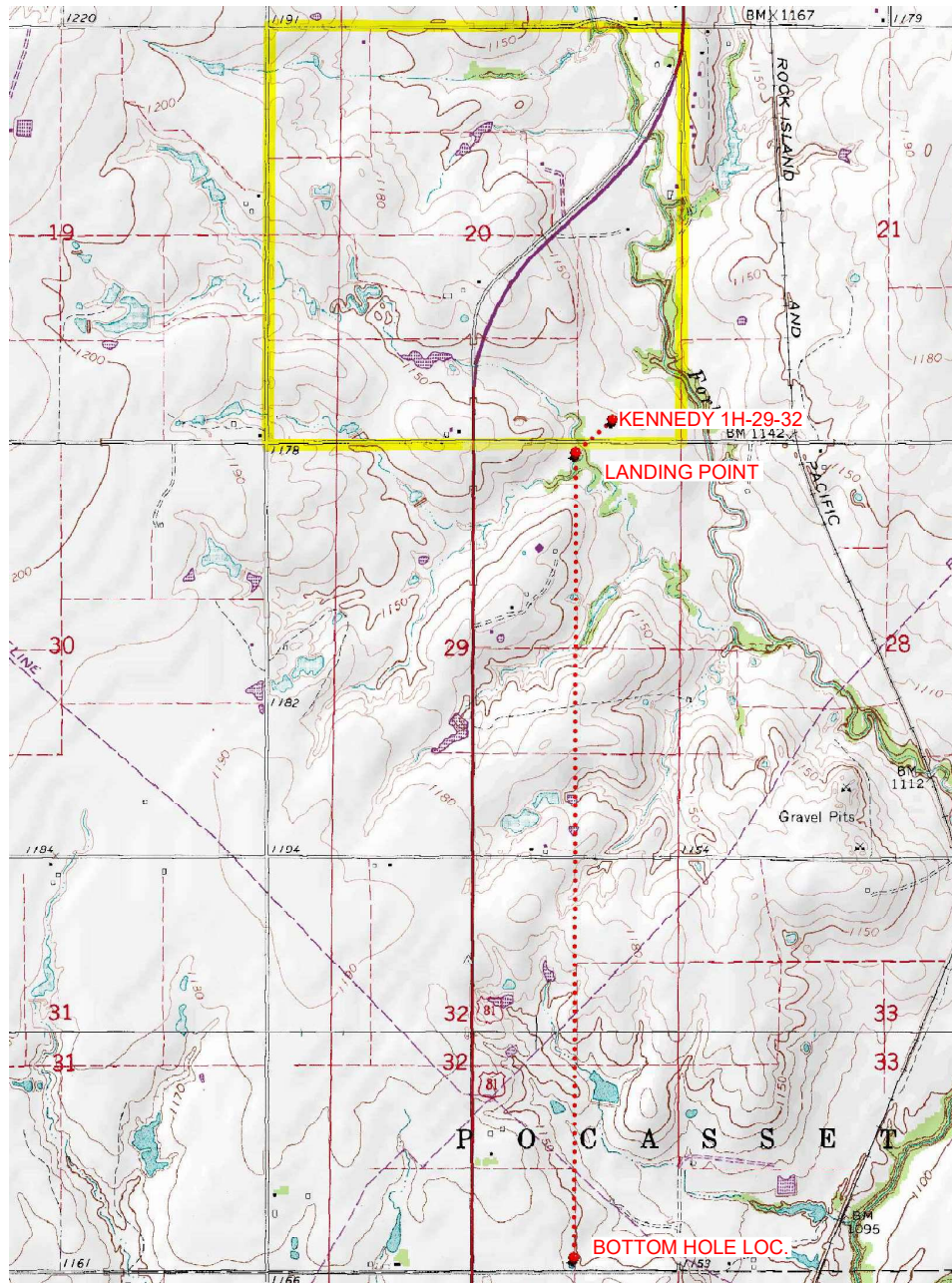
Sec. 32 Twp. 8N Rng. 7W I.M.

County: Grady State of Oklahoma

Ground Elevation at Surface Hole Location: 1126'



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

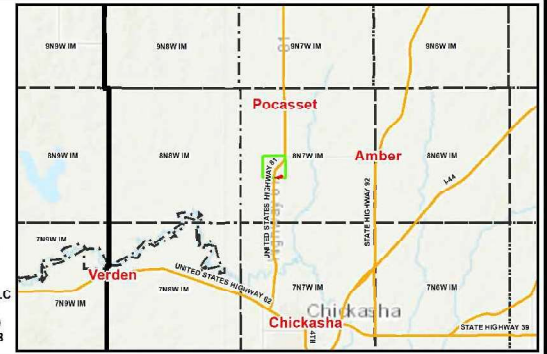
Date Staked: 02/18/2022

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 #:9893-A

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: KENNEDY 1H-29-32

Accessibility: From the North.

Directions: From the junction of Highway 81 & "CR1290" in Grady, CO., OK, go 0.4 miles East on "CR1290" to the SE/4 of Section 20-8N-7W with the Proposed Site being on the North side of "CR1290"

1 inch = 0.25 mile

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

