

API NUMBER: 051 24930

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: 225 850

Lease Name: KENNEDY Well No: 2H-29-32 Well will be 225 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  
202200864  
202200865

Working interest owners' notified: \*\*\*

Special Orders: No Special

Total Depth: 25000

Ground Elevation: 1127

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: SW	SE	SE	SE	True Vertical Depth: 14800	
Feet From: <b>SOUTH</b>		1/4 Section Line: 165		End Point Location from	
Feet From: <b>EAST</b>		1/4 Section Line: 380		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: <a href="http://OCCEWEB.COM/OG/OGFORMS.HTML">OCCEWEB.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>
MEMO	[4/4/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202200864	<p>[4/6/2022 - G56] - (I.O.) 29 &amp; 32-8N-7W  EST MULTIUNIT HORIZONTAL WELL  X678718 MSSP, WDFD 29-8N-7W  X202200863 MSSP, WDFD 32-8N-7W  (WDFD IS ADJACENT CSS TO MSSP)  50% 29-8N-7W  50% 32-8N-7W  NO OP NAMED  REC 4/4/2022 (THOMAS)</p>
PENDING CD - 202200865	<p>[4/6/2022 - G56] - (I.O.) 29 &amp; 32-8N-7W  X678718 MSSP, WDFD 29-8N-7W  X202200863 MSSP, WDFD 32-8N-7W  COMPL INT (29-8N-7W) NCT 165' FNL, NCT 0' FSL, NCT 330' FEL  COMPL INT (32-8N-7W) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL  NO OP NAMED  REC 4/4/2022 (THOMAS)</p>
PUBLIC WATER SUPPLY	[4/4/2022 - GC2] - GRADY CO RWD 1 - 2 WELLS SW/4 21-8N-7W
SPACING - 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 &amp; FSL, NCT 330' FEL &amp; FWL  REC 4/4/2022 (THOMAS)</p>
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 ALLOWED DUE TO BEING IN A PUBLIC WATER SUPPLY BOUNDARY

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051 24930 KENNEDY 2H-29-32



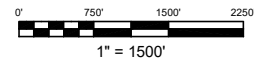
# Well Location Plat

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 2H-29-32  
Surface Hole Location: 225' FSL - 850' FEL Gr. Elevation: 1127'  
SW/4-SW/4-SE/4-SE/4 Section: 20 Township: 8N Range: 7W I.M.  
Bottom Hole Location: 165' FSL - 380' FEL  
SW/4-SE/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°08'46.90"N  
Lon: 97°57'19.17"W  
Lat: 35.14636134  
Lon: -97.95532563  
X: 1981856  
Y: 659819

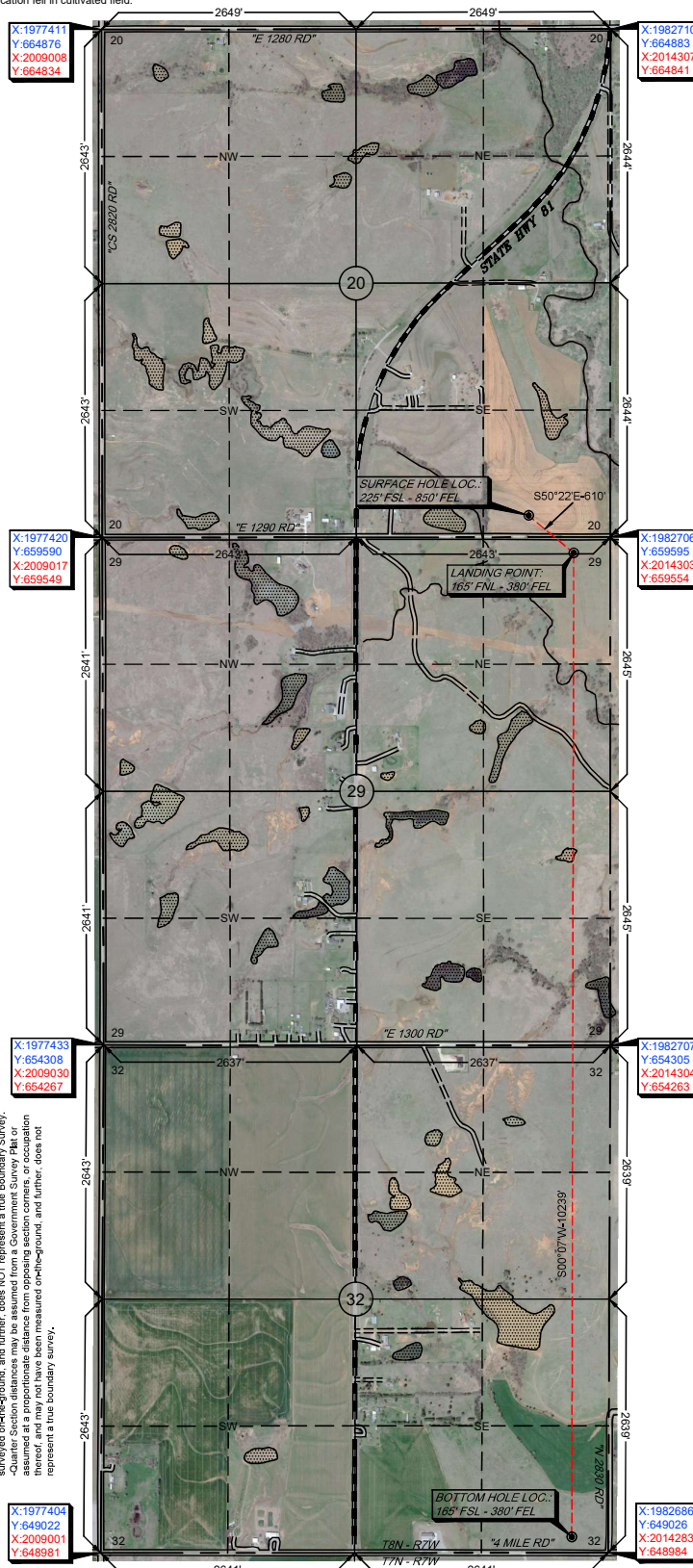
Surface Hole Loc.:  
Lat: 35°08'46.67"N  
Lon: -97°57'18.01"W  
Lat: 35.14629823N  
Lon: -97.95500270W  
X: 2013453  
Y: 659777

Landing Point:  
Lat: 35°08'43.05"N  
Lon: 97°57'13.52"W  
Lat: 35.14529167  
Lon: -97.95375453  
X: 1982326  
Y: 659430

Landing Point:  
Lat: 35°08'42.82"N  
Lon: 97°57'12.35"W  
Lat: 35.14522853  
Lon: -97.95343164  
X: 2013923  
Y: 659388

Bottom Hole Loc.:  
Lat: 35°07'01.78"N  
Lon: 97°57'13.81"W  
Lat: 35.11715994  
Lon: -97.95383498  
X: 1982306  
Y: 649191

Bottom Hole Loc.:  
Lat: 35°07'01.55"N  
Lon: 97°57'12.64"W  
Lat: 35.11709630  
Lon: -97.95351241  
X: 2013903  
Y: 649149



4-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. The survey was conducted using RTK-GPS. 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 other reliable source, 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-B

Date Staked: 02/18/2022

Date Drawn: 02/21/2022

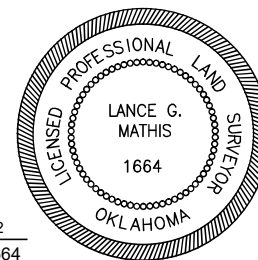
By: D.W.

By: J.L.

*Lance G. Mathis*  
LANCE G. MATHIS

02/25/2022

OK LPLS 1664

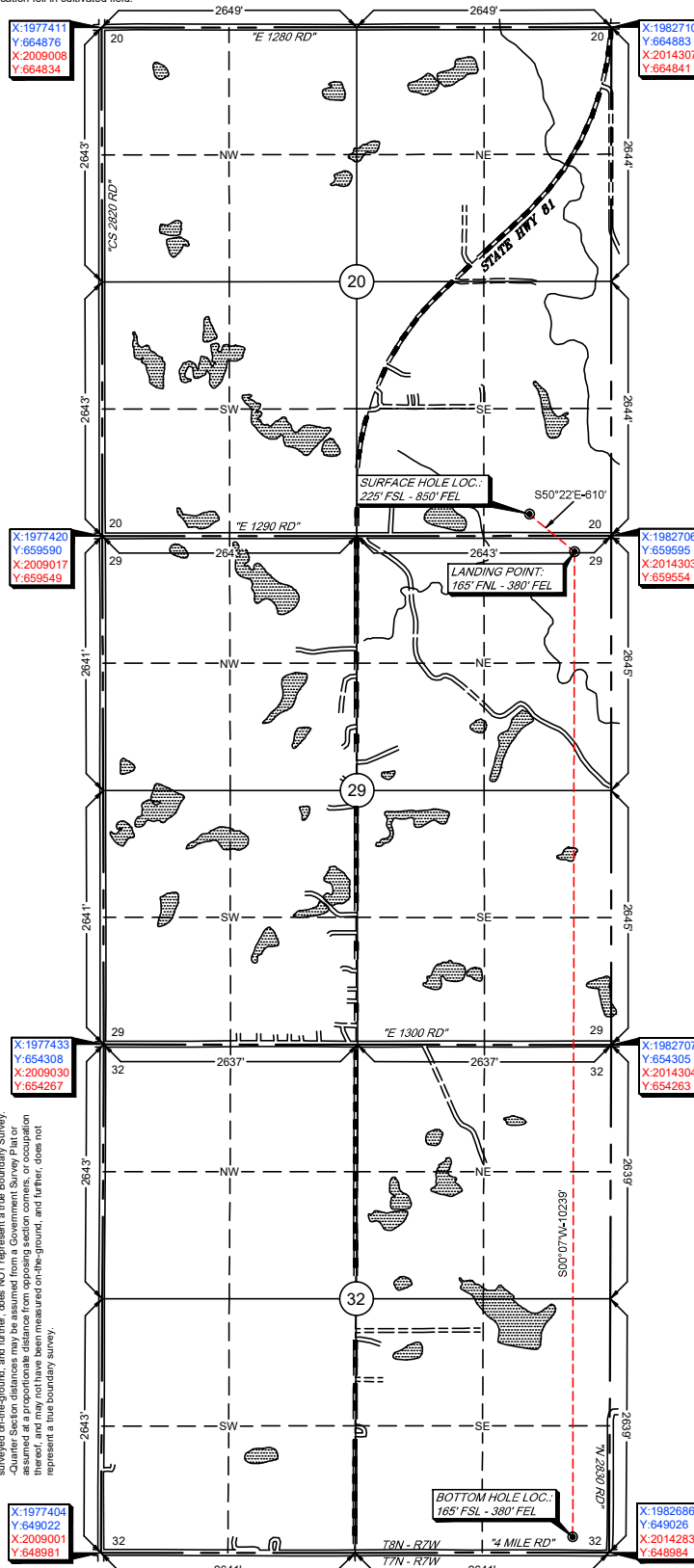




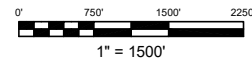
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SW1/4-SE1/4-SE1/4-SE1/4 Section: 32 Township: 8N Range: 7W I.M.  
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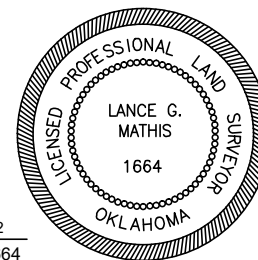
Date Drawn: 02/21/2022

By: J.L.

LANCE G. MATHIS

02/25/2022

OK LPLS 1664



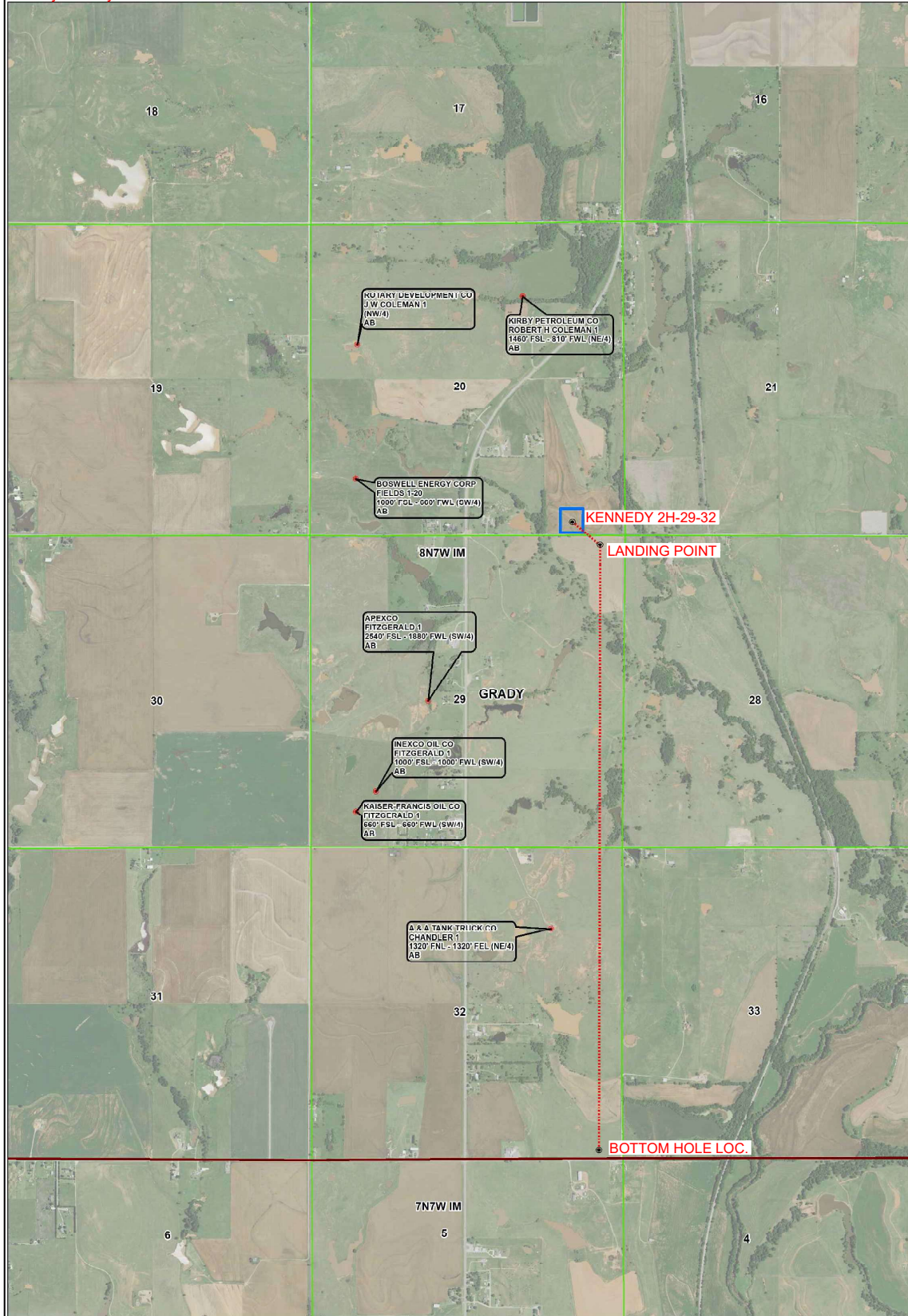
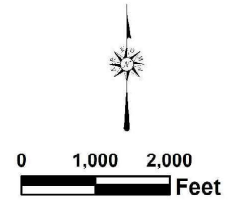




# Anti-Collision

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

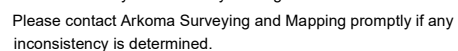
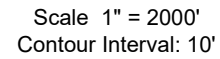
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Bottom Hole Location: 165' FSL - 380' FEL  
Sec. 32 Twp. 8N Rng. 7W I.M.  
County: Grady State of Oklahoma







Ground Elevation at Surface Hole Location: 1127'



# County Highway Vicinity Map



Job #:9893-B

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: KENNEDY 2H-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:  
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