

API NUMBER: 051 24932

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: ☐ NE ☐ SW ☐ SW ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 650 630

Lease Name: EUBANK Well No: 2H-29-32 Well will be 630 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

STEVE EUBANK AS OWNER OF EUBANK RANCH LLC
P.O. BOX 2046
CHICKASHA OK 73079

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
202200869
202200868
202200872
202200873

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 25000

Ground Elevation: 1168

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 480

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: 22-38197

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 not** located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: NON HSA

Pit Location Formation: DOG CREEK

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 not** located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: NON HSA

Pit Location Formation: DOG CREEK

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	SW	SE	SW	True Vertical Depth: 14800
Feet From: SOUTH	1/4 Section Line: 165		End Point Location from	
Feet From: WEST	1/4 Section Line: 1650		Lease, Unit, or Property Line: 165	

NOTES:

Category	Description
DEEP SURFACE CASING	[4/4/2022 - 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>[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: 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>
MEMO	[4/4/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202200868	<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 - 202200869	<p>[4/6/2022 - G56] - (I.O.) 29 & 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 1650' FWL COMPL INT (32-8N-7W) NCT 165' FSL, NCT 0' FNL, NCT 1650' FWL NO OP NAMED REC 4/4/2022 (THOMAS)</p>
PENDING CD - 202200872	<p>[4/6/2022 - G56] - 29-8N-7W X678718 MSSP, WDFD 2 WELLS CITIZEN ENERGY III, LLC REC 4/4/2022 (THOMAS)</p>
PENDING CD - 202200873	<p>[4/6/2022 - G56] - 32-8N-7W X202200863 MSSP, WDFD 2 WELLS CITIZEN ENERGY III, LLC REC 4/4/2022 (THOMAS)</p>
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 & FSL, NCT 330' FEL & 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>

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 24932 EUBANK 2H-29-32

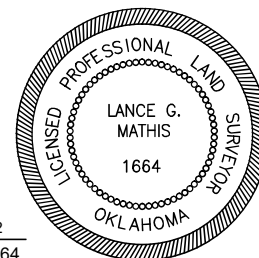


S.H.L. Sec. 20-8N-7W I.M.
B.H.L. Sec. 32-8N-7W I.M.



Bottom Hole Loc.:
Lat: 35°07'01.54"N
Lon: 97°57'51.78"W
Lat: 35.11709376
Lon: -97.96438464
X: 2010652
Y: 649147

OK LPLS 1664

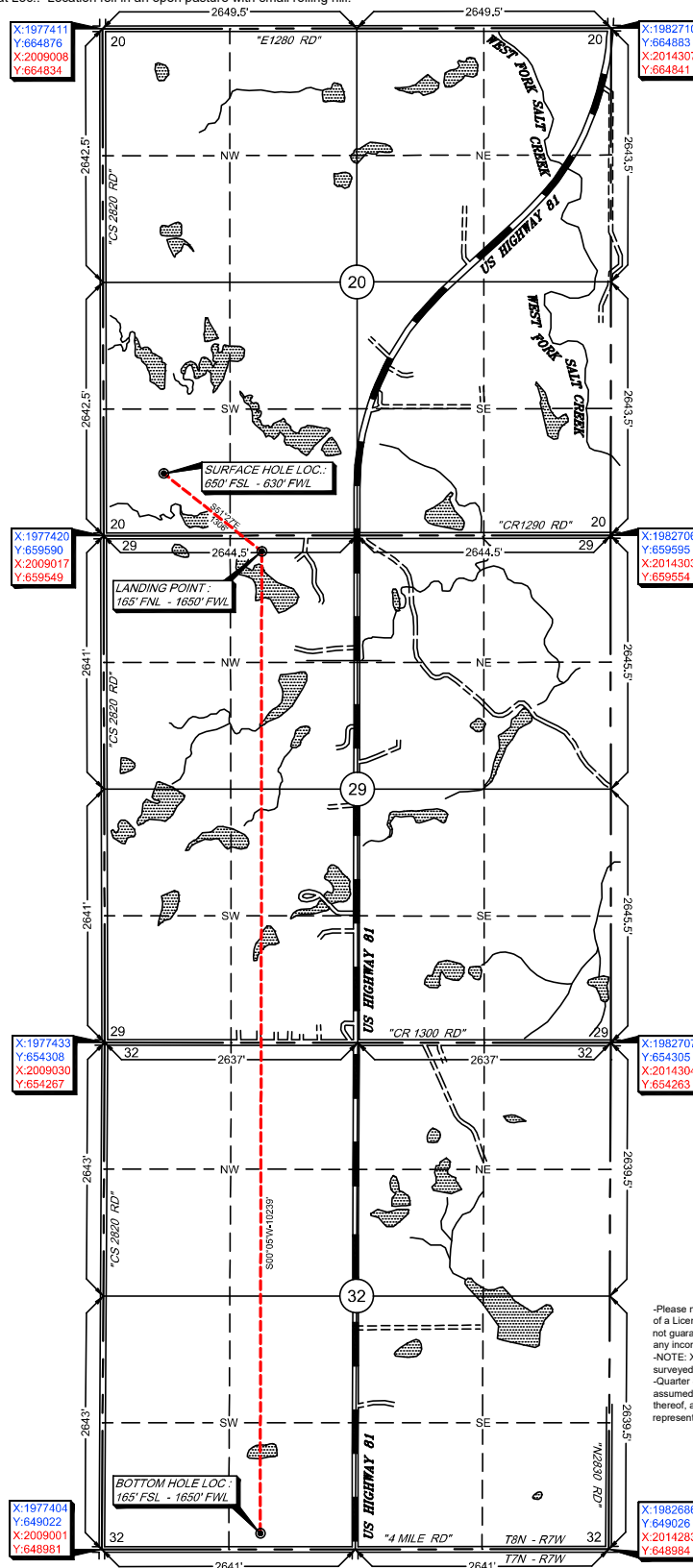




Operator: CITIZEN ENERGY, LLC
Lease Name and No.: EUBANK 2H-29-32
Surface Hole Location: 650' FSL - 630' FWL Gr. Elevation: 1168'
NE/4-SW/4-SW/4-SW/4 Section: 20 Township: 8N Range: 7W I.M.
Bottom Hole Location: 165' FSL - 1650' FWL
SW/4-SW/4-SE/4-SW/4 Section: 32 Township: 8N Range: 7W I.M.
County: Grady State of Oklahoma
Terrain at Loc.: Location fell in an open pasture with small rolling hill.



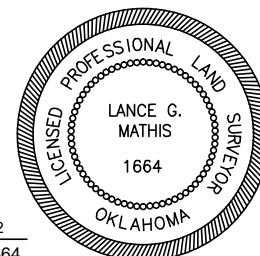
Bottom Hole Loc.:
Lat: 35°07'01.54"N
Lon: 97°57'51.78"W
Lat: 35.11709376
Lon: -97.96438464
X: 2010652
Y: 649147



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.

OK LPLS 1664

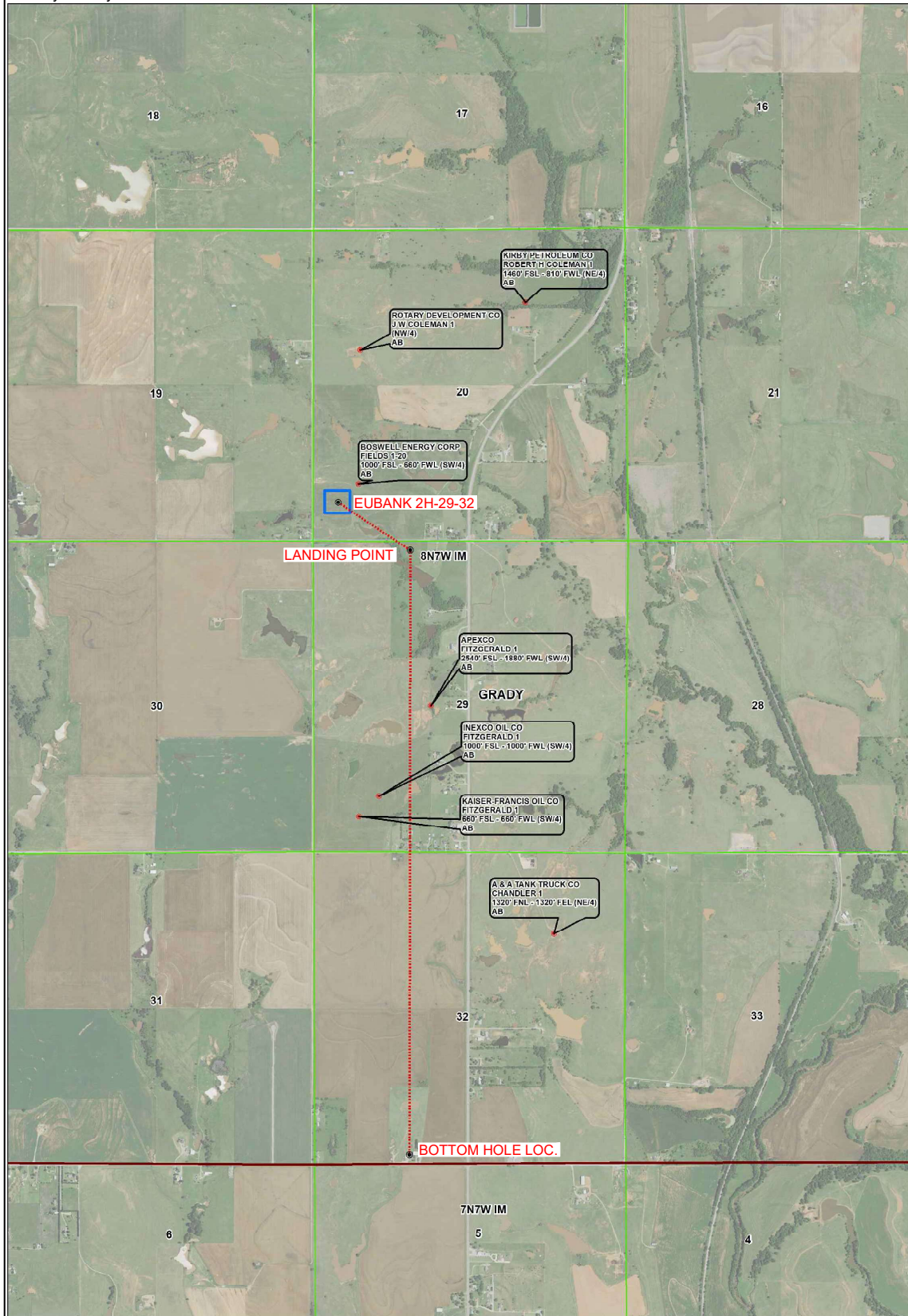
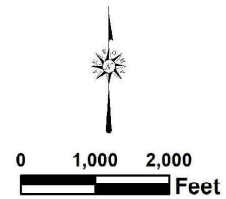




Anti-Collision

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

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: EUBANK 2H-29-32
Surface Hole Location: 650' FSL - 630' FWL
Sec.: 20 Township: 8N Range: 7W I.M.
Landing Point: 165' FNL - 1650' FWL
Sec.: 29 Township: 8N Range: 7W I.M.
Bottom Hole Location: 165' FSL - 1650' FWL
Sec.: 32 Township: 8N Range: 7W I.M.
County: Grady State of Oklahoma





Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: EUBANK 2H-29-32

Surface Hole Location: 650' FSL - 630' FWL

Sec.: 20 Township: 8N Range: 7W I.M.

Landing Point: 165' FNL - 1650' FWL

Sec.: 29 Township: 8N Range: 7W I.M.

Bottom Hole Location: 165' FSL - 1650' FWL

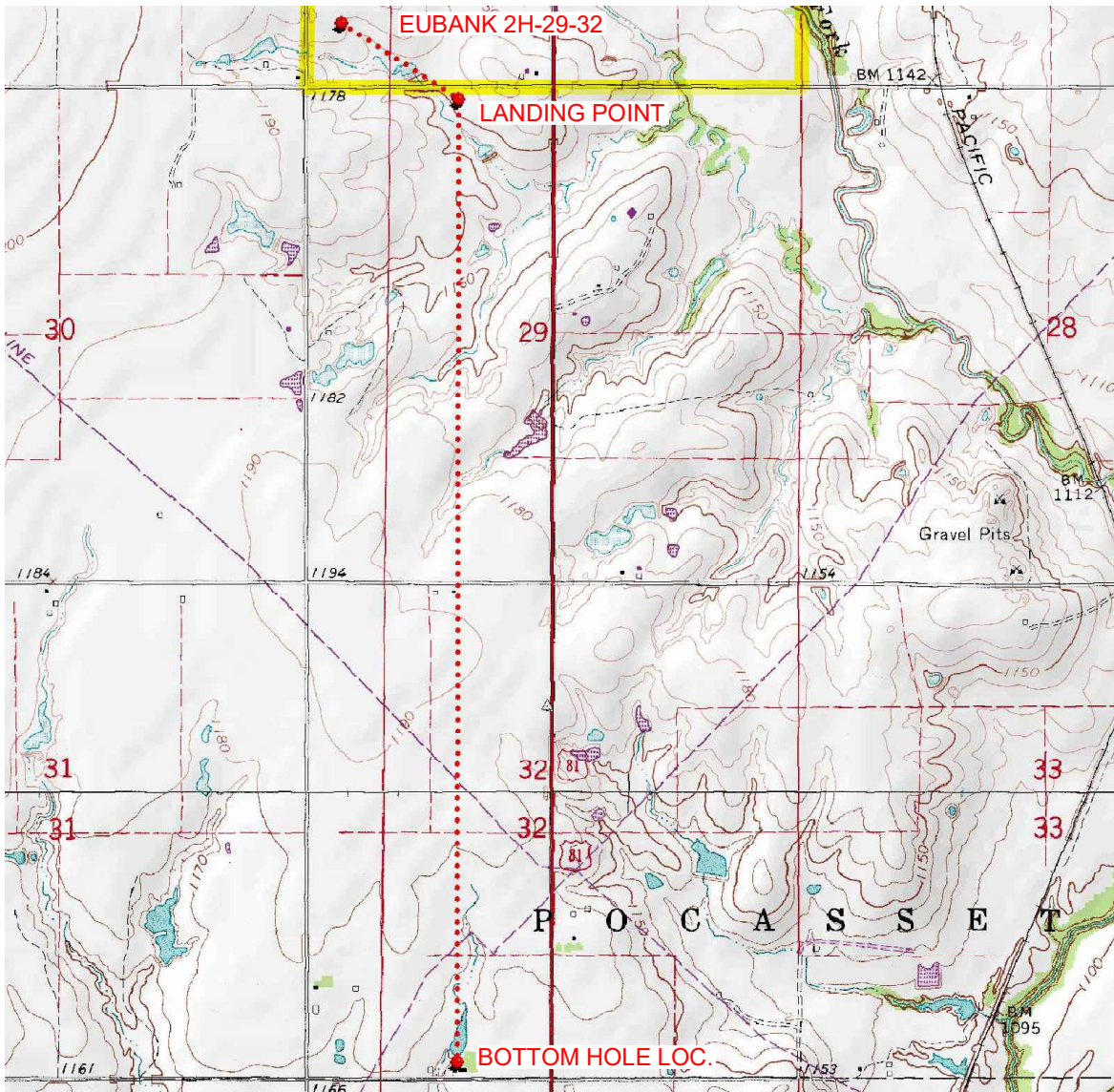
Sec.: 32 Township: 8N Range: 7W I.M.

County: Grady State of Oklahoma



Scale 1" = 2000'
Contour Interval: 10'

Ground Elevation at Surface Hole Location: 1168'



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: 03/13/2022

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 #: 9899-A-B

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: EUBANK 2H-29-32

Accessibility: From the West.

Directions: From the junction of Highway 81 & "CR 1290 Rd." in Grady, CO., OK, go 0.5 miles West on "CR1290 Rd.". Then 0.20 miles North on "CS2820 St." to the SW/4 of Section 20-8N-7W with the Proposed Site being on the East side of "CS2820 St."

1 inch = 0.2 mile

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