API NUMBER: 017 25936

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

Approval Date: 03/23/2023
Expiration Date: 09/23/2024

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 32 Township: 12N Range: 10W County: CANADIAN

SPOT LOCATION: NE SE SE SE FEET FROM QUARTER: FROM **SOUTH** FROM **EAST**
SECTION LINES: **340** **220**

Lease Name: **WINNINGHAM** **Well No:** **1H-4-9-16** **Well will be** **220** **feet from nearest unit or lease boundary.**

Operator Name: **CITIZEN ENERGY III LLC** Telephone: 9189494680 OTC/OCC Number: 24120 0

CITIZEN ENERGY III LLC
TULSA, OK 74103-3729

ELBERT V. WINNINGHAM AND KELLY S. WINNINGHAM
30773 N 2976 RD
CASHION OK 73016

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	14100

Spacing Orders: 725251 Location Exception Orders: No Exceptions Increased Density Orders: No Density

Pending CD Numbers: 202300325
202300328
202300327

Working interest owners' notified: *** Special Orders: No Special

Total Depth: 26000 Ground Elevation: 1559 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 240

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: 23-38955
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: 8000 Average: 5000
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: RUSH SPRINGS

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: RUSH SPRINGS

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: 16	Township: 11N	Range: 10W	Meridian: IM
County: CANADIAN			
Spot Location of End Point: N2	N2	SW	NW
Feet From: **NORTH**	1/4 Section Line: 1500		
Feet From: **WEST**	1/4 Section Line: 660		

Total Length:	11872
Measured Total Depth:	26000
True Vertical Depth:	14100
End Point Location from Lease,Unit, or Property Line:	660

NOTES:

Category	Description
DEEP SURFACE CASING	[3/21/2023 - GC2] - APPROVED; (1) NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING. (2) SUBSEQUENT WELLS ON SAME PAD WILL NOT BE ALLOWED DEEP SURFACE CASING IN THE EVENT OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING.
HYDRAULIC FRACTURING	[3/21/2023 - GC2] - OCC 165:10-3-10 REQUIRES: 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; 2) NOTICE WILL BE GIVEN TO THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES AT LEAST 48 HOURS PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS. FORM 6000NHF SHALL BE FOUND HERE: HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS; AND, 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
MEMO	[3/21/2023 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202300325	[3/23/2023 - G56] - (640)(HOR) 4-11N-10W EST MSSP POE TO BHL NCT 660' FB REC 3/6/2023 (BEESE)
PENDING CD - 202300327	[3/23/2023 - G56] - (I.O.) 4, 9 & 16-11N-10W EST MULTIUNIT HORIZONTAL WELL X725251 MSSP 9 & 16-11N-10W X202300325 4-11N-10W 33% 4-11N-10W 67% 9 & 16-11N-10W NO OP NAMED REC 3/6/2023 (BEESE)
PENDING CD - 202300328	[3/23/2023 - G56] - (I.O.) 4, 9 & 16-11N-10W X725251 MSSP 9 & 16-11N-10W X202300325 4-11N-10W COMPL INT (4-11N-10W) NCT 165' FNL, NCT 0' FSL, NCT 330' FWL COMPL INT (9 & 16-11N-10W) NCT 0' FNL, 165' FSL, NCT 330' FWL NO OP NAMED REC 3/6/2023 (BEESE)
SPACING - 725251	[3/23/2023 - G56] - (1280)(HOR) 9 & 16-11N-10W EST MSSP, OTHER POE TO BHL NCT 660' FB

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