

API NUMBER: 017 25937

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: 370 220

Lease Name: WINNINGHAM

Well No: 1H-5-8-17

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	14200

Spacing Orders: 725433

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202300326

Working interest owners' notified: ***

Special Orders: No Special

202300330

202300329

Total Depth: 26100

Ground Elevation: 1556

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 230

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: 17	Township: 11N	Range: 10W	Meridian: IM	Total Length: 11857
County: CANADIAN				Measured Total Depth: 26100
Spot Location of End Point: N2	NE	SE	NE	True Vertical Depth: 14200
Feet From: NORTH	1/4 Section Line: 1500		End Point Location from	
Feet From: EAST	1/4 Section Line: 330		Lease, Unit, or Property Line: 330	

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	<p>[3/21/2023 - 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 FRACTURING OPERATIONS. FORM 6000NHF SHALL BE FOUND HERE: HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS; 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	[3/21/2023 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202300326	<p>[3/23/2023 - G56] - (640)(HOR) 5-11N-10W EST MSSP POE TO BHL NCT 660' FB REC 3/6/2023 (BEESE)</p>
PENDING CD - 202300329	<p>[3/23/2023 - G56] - (I.O.) 5, 8 & 17-11N-10W EST MULTIUNIT HORIZONTAL WELL X725433 8 & 17-11N-10W X202300326 5-11N-10W 33% 5-11N-10W 67% 8 & 17-11N-10W NO OP NAMED REC 3/6/2023 (BEESE)</p>
PENDING CD - 202300330	<p>[3/23/2023 - G56] - (I.O.) 5, 8 & 17-11N-10W X725433 8 & 17-11N-10W X202300326 5-11N-10W COMPL INT (5-11N-10W) NCT 165' FNL, NCT 0' FSL, NCT 330' FEL COMPL INT (8 & 17-11N-10W) NCT 0' FNL, NCT 165' FSL, NCT 330' FEL NO OP NAMED REC 3/6/2023 (BEESE)</p>
SPACING - 725433	<p>[3/23/2023 - G56] - (1280)(HOR) 8 & 17-11N-10W EST MSSP, OTHER POE TO BHL NCT 660' FB</p>