

API NUMBER: 051 24748 A

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

Approval Date: 01/16/2020

Expiration Date: 07/16/2021

Multi Unit Oil & Gas

Amend reason: UPDATE FORMATION & ORDERS

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 25 Township: 10N Range: 8W County: GRADY

SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 2375 2410

Lease Name: WRIGHT Well No: 2H-25-36 Well will be 2375 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

MICHAEL L. WRIGHT LIVING TRUST
1201 GIN ROAD
MINCO OK 73059

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	12300

Spacing Orders: 669119 Location Exception Orders: 715726 Increased Density Orders: 713269
679999 711483
712357
715725

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special Orders

Total Depth: 19755 Ground Elevation: 1336 Surface Casing: 1000 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: 19-37028
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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: BED AQUIFER

Pit Location Formation: MARLOW

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: MARLOW

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: 36	Township: 10N	Range: 8W	Meridian: IM	Total Length: 7259	
	County: GRADY			Measured Total Depth: 19755	
Spot Location of End Point: SW	SE	SW	SE	True Vertical Depth: 12351	
Feet From: SOUTH		1/4 Section Line: 109		End Point Location from	
Feet From: EAST		1/4 Section Line: 1903		Lease, Unit, or Property Line: 109	

NOTES:

Category	Description
DEEP SURFACE CASING	1/6/2020 - G71 - 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	1/6/2020 - G71 - OCC 165:10-3-10 REQUIRES: 1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE; 2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: OCCWEB.COM/OG/OGFORMS.HTML ; AND, 3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK: FRACFOCUS.ORG
INCREASED DENSITY - 711483	2/10/2021 - G56 - 36-10N-8W X669119/679999 MSSP 1 WELL CITIZEN ENERGY III, LLC 5/11/2020
INCREASED DENSITY - 713269	2/10/2021 - G56 - 25-10N-8W X712357 MSSP 1 WELL CITIZEN ENERGY III, LLC 7/20/2020
LOCATION EXCEPTION - 715726	2/10/2021 - G56 - (F.O.) 25 & 36-10N-8W X712357 MSSP 25-10N-8W X669119/679999 MSSP 36-10N-8W SHL 2370' FSL, 2410' FEL COMPL INT (25-10N-8W) FIRST PERF 2111' FSL, 1917' FEL LAST PERF 0' FSL, 1901' FEL COMPL INT (36-10N-8W) FIRST PERF 0' FNL, 1901' FEL LAST PERF 179' FSL, 1902' FEL CITIZEN ENERGY III, LLC 12/7/2020
MEMO	1/6/2020 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - BUGGY CREEK), PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 669119	1/7/2020 - G56 - (640)(HOR) 36-10N-8W VAC OTHER VAC 98732/107705 CSTR, MSSLM EST MSSP, OTHERS COMPL INT NLT 660' FB
SPACING - 679999	1/7/2020 - G56 - (640)(HOR) 36-10N-8W CONFIRM 669119 TO NOTIFY RESPONDENTS
SPACING - 712357	2/10/2021 - G56 - (640)(HOR)(E.O) 25-10N-8W EST MSSP POE TO BHL NCT 660' FB (COEXIST WITH SP # 98732 CSTR, MSSLM)

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.

SPACING - 715725	2/10/2021 - G56 - (F.O.) 25 & 36-10N-8W EST MULTIUNIT HORIZONTAL WELL X712357 MSSP 25-10N-8W X669119/679999 MSSP 36-10N-8W 29.15% 25-10N-8W 70.85% 36-10N-8W CITIZEN ENERGY III, LLC 12/7/2020
------------------	---

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.