

API NUMBER: 051 24987

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

Approval Date: 11/10/2022  
Expiration Date: 05/10/2024

Multi Unit Oil & Gas

**PERMIT TO DRILL**

WELL LOCATION: Section: 07 Township: 8N Range: 7W County: GRADY

SPOT LOCATION: ☐ NE ☐ SW ☐ NE ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 720 1700

Lease Name: LANA Well No: 1H-7-18 Well will be 720 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

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	14200
2	WOODFORD	319WDFD	14300

Spacing Orders: 679066

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202202562  
202202564  
202202563

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

Special Orders: No Special

Total Depth: 23850

Ground Elevation: 1190

Surface Casing: 700

Depth to base of Treatable Water-Bearing FM: 600

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: 22-38420

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 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? Y

Wellhead Protection Area? Y

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: 18	Township: 8N	Range: 7W	Meridian: IM	Total Length: 9593	
	County: GRADY			Measured Total Depth: 23850	
Spot Location of End Point: S2	SE	SW	SW	True Vertical Depth: 16000	
Feet From: <b>SOUTH</b>		1/4 Section Line: 165		End Point Location from	
Feet From: <b>WEST</b>		1/4 Section Line: 990		Lease, Unit, or Property Line: 165	

#### NOTES:

Category	Description
HYDRAULIC FRACTURING	<p>[11/10/2022 - 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 FRACTURING OPERATIONS. FORM 6000NHF SHALL BE FOUND HERE: <a href="https://oklahoma.gov/occ/divisions/oil-gas/ogcd-forms">HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS</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	[11/10/2022 - GC2] - CLOSED SYSTEM=STEEL PITS (REQUIRED - BODY OF WATERS), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202202562	<p>[11/10/2022 - G56] - (640)(HOR) 7-8N-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 10/24/2022 (BEESE)</p>
PENDING CD - 202202563	<p>[11/10/2022 - G56] - (I.O.) 7 &amp; 18-8N-7W EST MULTIUNIT HORIZONTAL WELL X202202562 MSSP, WDFD 7-8N-7W X679066 MSS, WDFD 18-8N-7W (WDFD IS ADJACENT CSS TO MSSP) 50% 7-8N-7W 50% 18-8N-7W NO OP NAMED REC 10/24/2022 (BEESE)</p>
PENDING CD - 202202564	<p>[11/10/2022 - G56] - (I.O.) 7 &amp; 18-8N-7W X202202562 MSSP, WDFD 7-8N-7W X679066 MSS, WDFD 18-8N-7W COMPL INT (7-8N-7W) NCT 165' FNL, NCT 0' FSL, NCT 990' FWL COMPL INT (18-8N-7W) NCT 165' FSL, NCT 0' FNL, NCT 990' FWL NO OP NAMED REC 10/24/2022 (BEESE)</p>
PUBLIC WATER SUPPLY	[11/10/2022 - GC2] - GRADY CO RWD 1 - 2 WELLS NE/4 7-8N-7W
SPACING - 679066	<p>[11/10/2022 - G56] - (640)(HOR) 18-8N-7W EST MSSP, WDFD, OTHER POE TO BHL (MSSP) NCT 660' FB POE TO BHL (WDFD) NCT 165' FNL &amp; FSL, NCT 330' FEL &amp; FWL</p>
SURFACE CASING	[11/10/2022 - GC2] - NO DEEP SURFACE CASING DUE TO BEING INSIDE A PUBLIC WATER SUPPLY BOUNDARY

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