

API NUMBER: 051 24986

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 1740

Lease Name: LANA

Well No: 2H-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

Working interest owners' notified: ***

Special Orders: No Special

202202566

202202565

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: SW	SE	SE	SW	True Vertical Depth: 16000
Feet From: SOUTH	1/4 Section Line: 165			End Point Location from
Feet From: WEST	1/4 Section Line: 2300			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: 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	[11/10/2022 - GC2] - CLOSED SYSTEM=STEEL PITS (REQUIRED - BODIES OF WATER), 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 & FSL, NCT 330' FEL & FWL REC 10/24/2022 (BEESE)</p>
PENDING CD - 202202565	<p>[11/10/2022 - G56] - (I.O.) 7 & 18-8N-7W EST MULTIUNIT HORIZONTAL WELL X202202562 MSSP, WDFD 7-8N-7W X679066 MSS, WDFD 18-8N-7W (MSSP IS ADJACENT CSS TO WDFD) 50% 7-8N-7W 50% 18-8N-7W NO OP NAMED REC 10/24/2022 (BEESE)</p>
PENDING CD - 202202566	<p>[11/10/2022 - G56] - (I.O.) 7 & 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 2000' FWL COMPL INT (18-8N-7W) NCT 165' FSL, NCT 0' FNL, NCT 2000' 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 & FSL, NCT 330' FEL & FWL</p>
SURFACE CASING	[11/10/2022 - GC2] - NO DEEP SURFACE CASING ALLOWED DUE TO BEING INSIDE PUBLIC WATER SUPPLY BOUNDARIES

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