

API NUMBER: 017 25653

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

Approval Date: 01/14/2021
Expiration Date: 07/14/2022

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 05 Township: 10N Range: 6W County: CANADIAN

SPOT LOCATION: ☐ SE ☐ NE ☐ NW ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 650 1540

Lease Name: BELLA Well No: 1H-32-29 Well will be 650 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

KEVIN RAY BORNEMANN AND JENNIFER A. BORNEMANN
9600 S. MANNING RD.
UNION CITY OK 73090

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	9700

Spacing Orders: 239218
436709
714965

Location Exception Orders: 714968

Increased Density Orders: 715017
715030

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special Orders

Total Depth: 20500

Ground Elevation: 1292

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 260

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: 20-37488

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: DUNCAN

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: DUNCAN

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: 29	Township: 11N	Range: 6W	Meridian: IM	Total Length: 10236
County: CANADIAN				Measured Total Depth: 20500
Spot Location of End Point: N2	N2	NE	NE	True Vertical Depth: 9700
Feet From: NORTH	1/4 Section Line: 165		End Point Location from	
Feet From: EAST	1/4 Section Line: 660		Lease, Unit, or Property Line: 165	

NOTES:

Category	Description
DEEP SURFACE CASING	[12/29/2020 - GC2] - 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	<p>[12/29/2020 - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCEWEB.COM/OG/OGFORMS.HTML; 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>
INCREASED DENSITY – 715017 (202001546)	<p>[1/13/2021 - GB6] - 32-11N-6W X436709 MSSP 4 WELLS CITIZEN ENERGY III, LLC 10/22/2020</p>
INCREASED DENSITY – 715030 (202001545)	<p>[1/13/2021 - GB6] - 29-11N-6W X239218 MSSP 4 WELLS CITIZEN ENERGY III, LLC 10/23/2020</p>
LOCATION EXCEPTION – 714968 (202001542)	<p>[1/13/2021 - GB6] - (I.O.) 29 & 32 -11N-6W X239218 MSSP 29-11N-6W X436709 MSSP 32-11N-6W COMPL. INT. (32-11N-6W) NCT 165' FSL, NCT 0' FNL, NCT 660' FEL COMPL. INT. (29-11N-6W) NCT 0' FSL, NCT 165' FNL, NCT 660' FEL CITIZEN ENERGY III, LLC 10/20/2020</p>
MEMO	[12/29/2020 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING – 239218	<p>[1/13/2021 - GB6] - (640) 29-11N-6W VAC OTHER EXT 231942 MSSP, OTHERS EXT OTHERS EST OTHER</p>
SPACING – 436709	<p>[1/13/2021 - GB6] - (640) 32-11N-6W EXT 311807 MSSP, OTHERS</p>
SPACING – 714965 (202001538)	<p>[1/13/2021 - GB6] - (I.O.) 29 & 32 -11N-6W EST MULTIUNIT HORIZONTAL WELL X239218 MSSP 29-11N-6W X436709 MSSP 32-11N-6W 50% 29-11N-6W 50% 32-11N-6W CITIZEN ENERGY III, LLC 10/20/2020</p>

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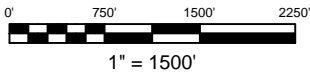
Well Location Plat

S.H.L. Sec. 5-10N-6W I.M.
B.H.L. Sec. 29-11N-6W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: BELLA 1H-32-29
Surface Hole Location: 650' FNL - 1540' FEL Gr. Elevation: 1292'
SE/4-NE/4-NW/4-NE/4 Section: 5 Township: 10N Range: 6W I.M.
Bottom Hole Location: 165' FNL - 660' FEL
NW/4-NE/4-NE/4-NE/4 Section: 29 Township: 11N Range: 6W I.M.
County: Canadian State of Oklahoma
Terrain at Loc.: Location fell in open, cut milo field.



All bearings shown
are grid bearings.



GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc.:
Lat: 35°22'31.43"N
Lon: 97°51'13.24"W
Lat: 35.37539639
Lon: -97.85367805
X: 2012124
Y: 1366886

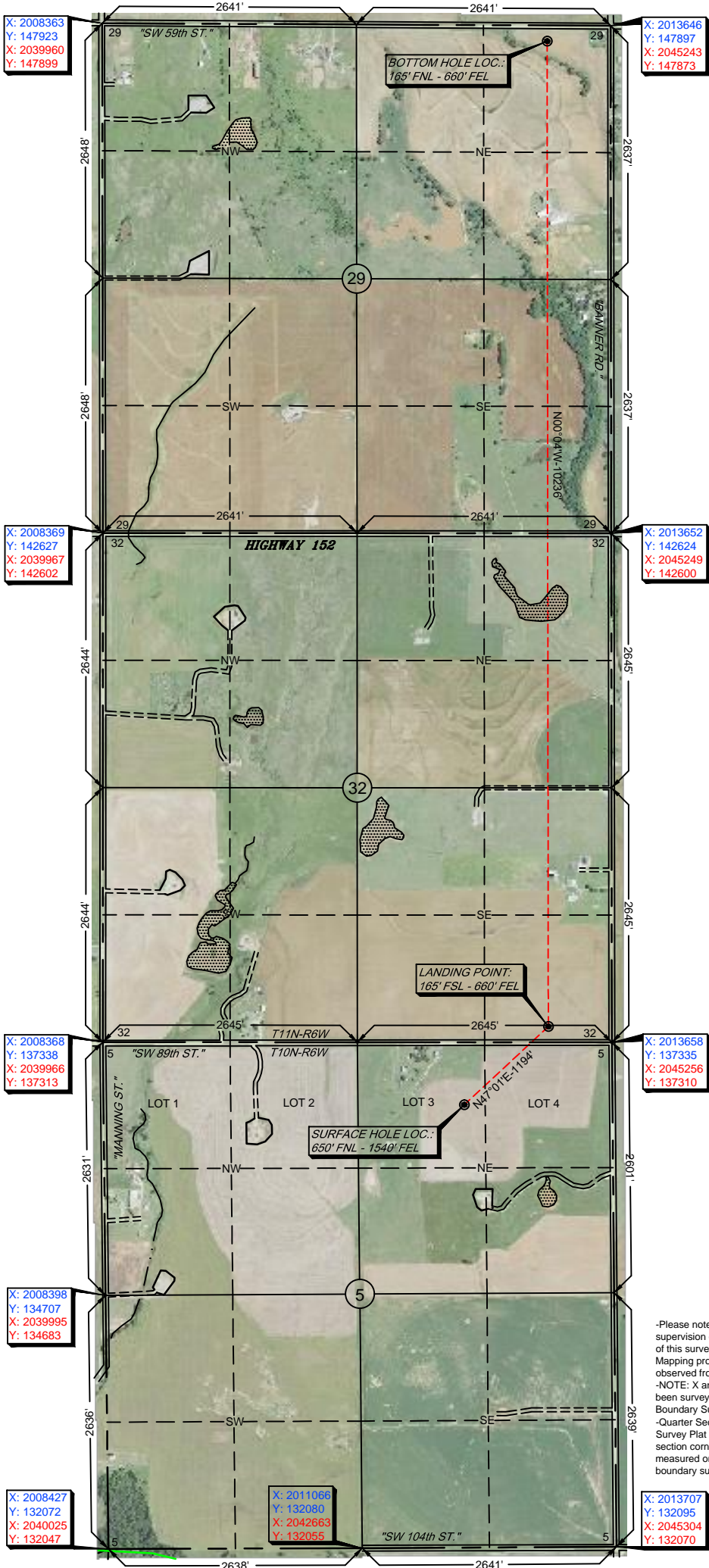
Surface Hole Loc.:
Lat: 35°22'31.22"N
Lon: 97°51'12.08"W
Lat: 35.37533825
Lon: -97.85335498
X: 2043722
Y: 136661

Landing Point:
Lat: 35°22'39.47"N
Lon: 97°51'02.68"W
Lat: 35.37762996
Lon: -97.85074316
X: 2012998
Y: 137500

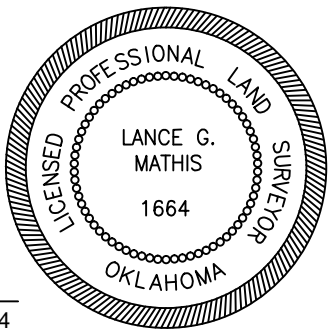
Landing Point:
Lat: 35°22'39.26"N
Lon: 97°51'01.51"W
Lat: 35.37757188
Lon: -97.85042013
X: 2044595
Y: 137475

Bottom Hole Loc.:
Lat: 35°24'20.70"N
Lon: 97°51'02.63"W
Lat: 35.40574903
Lon: -97.85073152
X: 2012986
Y: 147736

Bottom Hole Loc.:
Lat: 35°24'20.49"N
Lon: 97°51'01.47"W
Lat: 35.40569188
Lon: -97.85040824
X: 2044583
Y: 147711



-Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS.
-NOTE: X and Y data shown hereon for Section Corners may NOT have been surveyed on-the-ground, and further, does NOT represent a true Boundary Survey.
-Quarter Section distances may be assumed from a Government Survey Plat or assumed at a proportionate distance from opposing section corners, or occupation thereof, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.



Survey and plat by:
Arkoma Surveying and Mapping, PLLC
P.O. Box 238 Wilburton, OK 74578
Ph. 918-465-5711 Fax 918-465-5030
Certificate of Authorization No. 5348
Expires June 30, 2022

Certification:

This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

Lance G. Mathis
LANCE G. MATHIS

12/07/2020

OK LPLS 1664

Invoice #9194-A
Date Staked: 12/02/2020 By: Z.D.
Date Drawn: 12/04/2020 By: R.M.



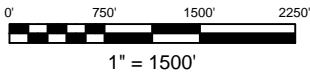
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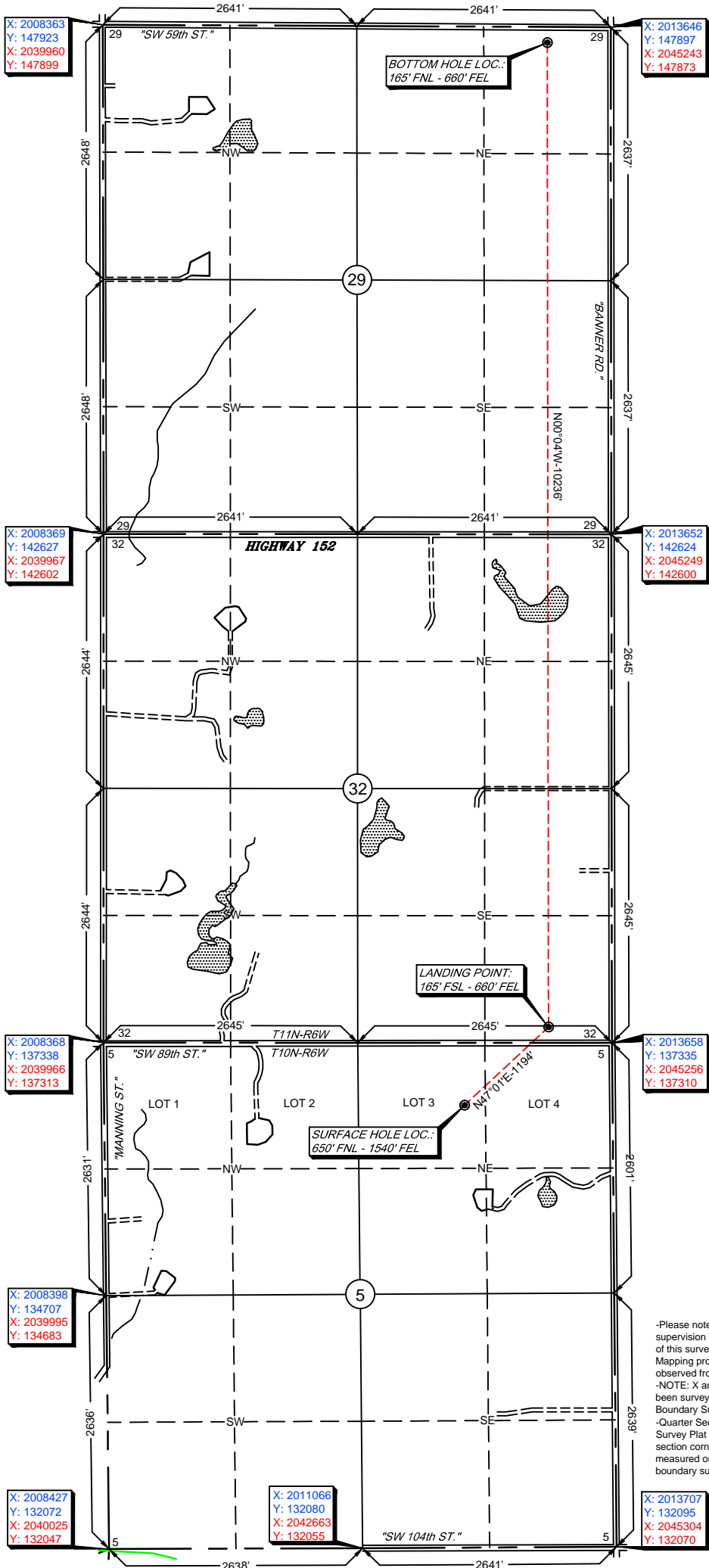
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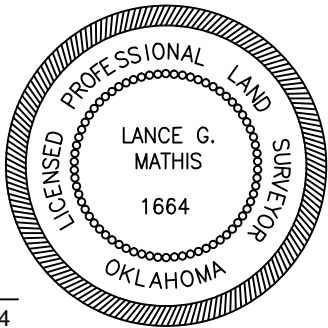
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Anti-Collision

Sec. 5-10N-6W I.M.

CITIZENENERGY™

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: BELLA 1H-32-29

Surface Hole Location: 650' FNL - 1540' FEL

Sec. 5 Twp. 10N Rng. 6W I.M.

Landing Point: 165' FSL - 660' FEL

Sec. 32 Twp. 11N Rng. 6W I.M.

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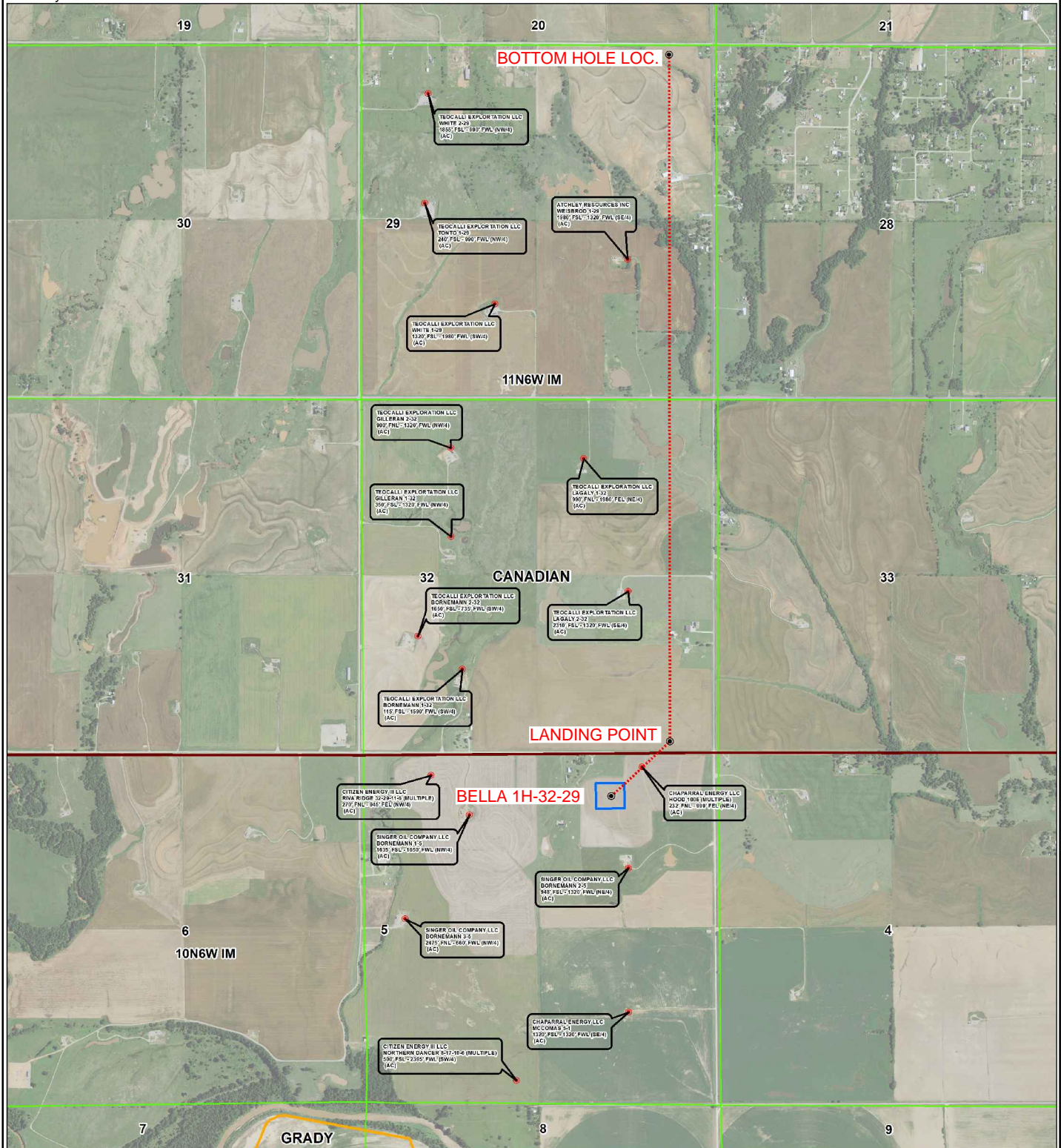
Sec. 29 Twp. 11N Rng. 6W I.M.

County: Canadian State of Oklahoma

- SHL
- LP & BHL
- Bore Path
- Pad
- OCC Wells
- Counties
- Township-Range
- Sections



0 1,000 2,000 Feet





Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: BELLA 1H-32-29

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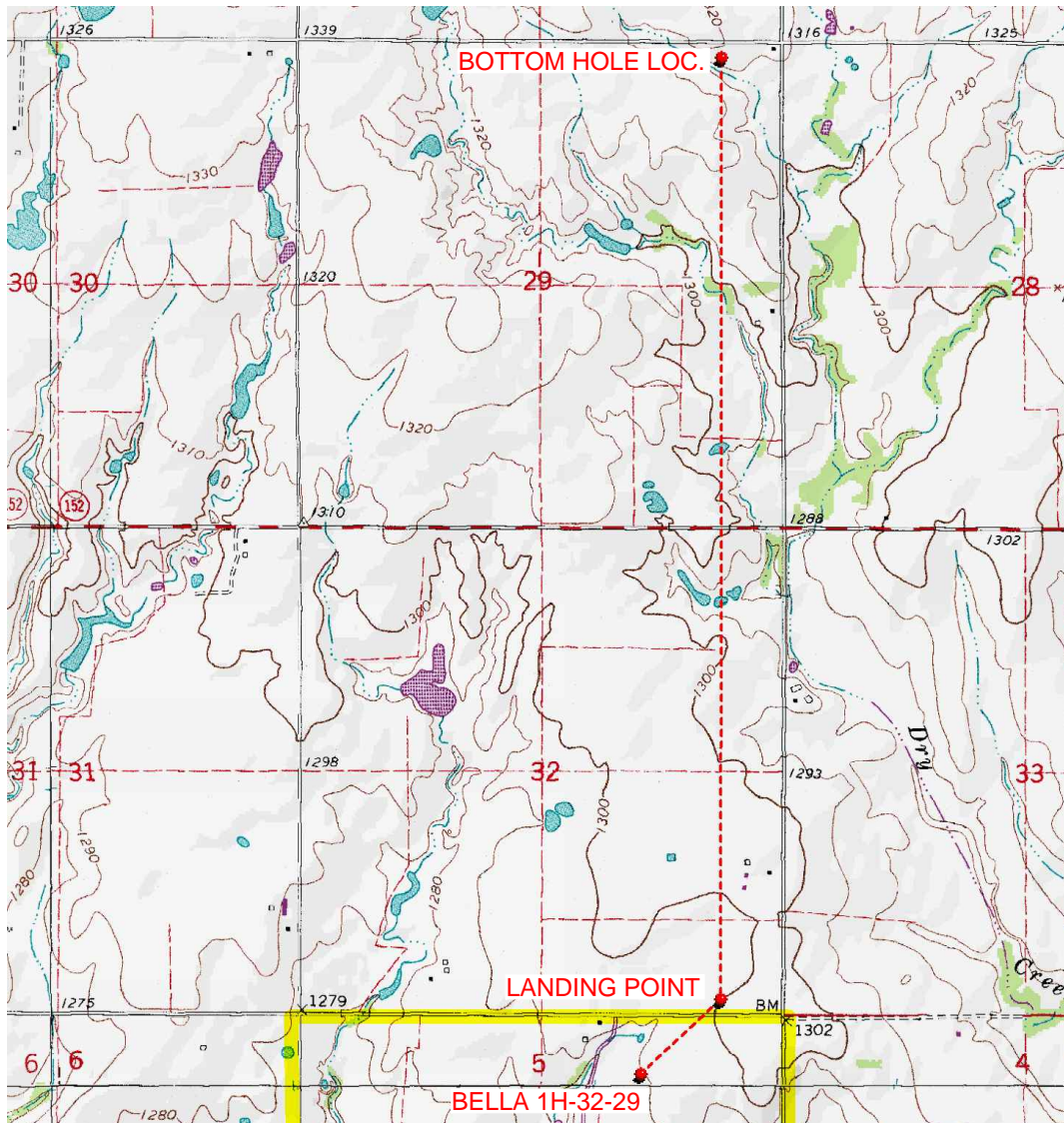
Sec. 29 Twp. 11N Rng. 6W I.M.

County: Canadian State of Oklahoma

Ground Elevation at Surface Hole Location: 1292'



Scale 1" = 2000'
Contour Interval: 10'



Provided by:

Arkoma Surveying and Mapping, PLLC

P.O. Box 238 Wilburton, OK 74578

Ph. 918-465-5711 Fax 918-465-5030

Certificate of Authorization No. 5348

Expires June 30, 2022

Date Staked: 12/02/2020

The purpose of this map is to verify the location and elevation as staked on the ground and to show the surrounding Topographic features. The footage shown hereon is only as SCALED onto a U.S.G.S. Topographic Map.

Please note that this location was staked carefully on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed.

Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined.

County Highway Vicinity Map

Job #:9194-A

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: BELLA 1H-32-29

Accessibility: From the Northwest

Directions: From the junction of US Highway 81 and State Highway 52 in Union City, OK. Go 5.0 miles East on State Highway 52, 1.0 mile South on "Banner Road", then go 1600' West on "SW 89th St." to a point on the North line of Section 5-10N-6W, North of the proposed location.



1 inch = 0.75 mile

provided by:
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17	16	15	14	13	18	17	16	15	14	13	11N6W IM	17
20	21	22	23	24	19	20	21	22	23	24	11N7W IM	20
29	28	27	26	25	30	29	28	27	26	25	10N7W IM	29
32	33	34	35	36	31	32	33	34	35	36	10N6W IM	32
5	4	3	2	1	6	5	4	3	2	1	9N7W IM	5
8	9	10	11	12	7	8	9	10	11	12	9N6W IM	8
17	16	15	14	13	18	17	16	15	14	13	8N7W IM	17
20	21	22	23	24	19	20	21	22	23	24	8N6W IM	20
29	28	27	26	25	30	29	28	27	26	25	7N7W IM	29
32	33	34	35	36	31	32	33	34	35	36	7N6W IM	32

