

API NUMBER: 051 24925

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

Approval Date: 03/14/2022

Expiration Date: 09/14/2023

Multi Unit

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 02 Township: 8N Range: 6W County: GRADY

SPOT LOCATION: ☐ NE ☐ NE ☐ NE ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 275 2400

Lease Name: RAGSDALE Well No: 1H-35-26 Well will be 275 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

PAT RAGSDALE
P.O. BOX 1311
TUTTLE OK 73089

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

Name	Code	Depth
1 MISSISSIPPI LIME	351MSSLM	11400

Spacing Orders: 466739 Location Exception Orders: 724077 Increased Density Orders: No Density
459029
724076

Pending CD Numbers: 202200511 Working interest owners' notified: *** Special Orders: No Special
202200509
202200510

Total Depth: 20200 Ground Elevation: 1286 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 330

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: 22-38172
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: 26	Township: 9N	Range: 6W	Meridian: IM	Total Length: 8393
County: GRADY				Measured Total Depth: 20200
Spot Location of End Point: N2	S2	S2	NW	True Vertical Depth: 11400
Feet From: NORTH	1/4 Section Line: 2000		End Point Location from	
Feet From: WEST	1/4 Section Line: 1320		Lease, Unit, or Property Line: 1320	

NOTES:

Category	Description
DEEP SURFACE CASING	[3/9/2022 - 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>[3/9/2022 - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCWEB.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>
LOCATION EXCEPTION - 724077	<p>[3/14/2022 - GB1] - (I.O.) 26 & 35-9N-6W X466739 MSSLM 26-9N-6W X459029 MSSLM 35-9N-6W COMPL INT (26-9N-6W) NCT 165' FNL, NCT 0' FSL, NCT 330' FWL COMPL INT (35-9N-6W) NCT 0' FNL, NCT 165' FSL, NCT 330' FWL CITIZEN ENERGY III, LLC 3/9/2022</p>
MEMO	[3/9/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202200509	<p>[3/14/2022 - GB1] - 26-9N-6W X466793 MSSLM 2 WELLS CITIZEN ENERGY III, LLC REC 2/28/2022 (MOORE)</p>
PENDING CD - 202200510	<p>[3/14/2022 - GB1] - 35-9N-6W X459029 MSSLM 2 WELLS CITIZEN ENERGY III, LLC REC 2/28/2022 (MOORE)</p>
PENDING CD - 202200511	<p>[3/14/2022 - GB1] - (I.O.) 26-9N-6W X165:10-3-28(C)(2)(B) MSSLM MAY BE CLOSER THAN 600' TO BOYER 1-26 AND OAK 3-26 CITIZEN ENERGY III, LLC REC 2/28/22 (MOORE)</p>
SPACING - 459029	<p>[3/14/2022 - GB1] - (640) 35-9N-6W EXT OTHERS EXT 168898 MSSLM, OTHERS</p>
SPACING - 466739	<p>[3/14/2022 - GB1] - (640) 26-9N-6W EXT 459029 MSSLM, OTHERS</p>
SPACING - 724076	<p>[3/14/2022 - GB1] - (I.O.) 26 & 35-9N-6W EST MULTIUNIT HORIZONTAL WELL X466739 MSSLM 26-9N-6W X459029 MSSLM 35-9N-6W 50% 26-9N-6W 50% 35-9N-6W CITIZEN ENERGY III, LLC 3/9/2022</p>

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.

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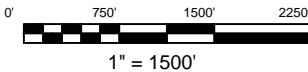
Well Location Plat

S.H.L. Sec. 2-8N-6W I.M.
B.H.L. Sec. 26-9N-6W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: RAGSDALE 1H-35-26
Surface Hole Location: 275' FNL - 2400' FWL Gr. Elevation: 1286'
NE/4-NE/4-NE/4-NW/4 Section: 2 Township: 8N Range: 6W I.M.
Bottom Hole Location: 2000' FNL - 1320' FWL
NW/4-SW/4-SE/4-NW/4 Section: 26 Township: 9N Range: 6W I.M.
County: Grady State of Oklahoma
Terrain at Loc.: Location fell on plains land, with some hills and terraces.



All bearings shown
are grid bearings.



GPS DATUM

NAD 83

NAD 27

OK NORTH ZONE

Surface Hole Loc.:
Lat: 35°12'10.66"N
Lon: 97°48'12.11"W
Lat: 35.20296042
Lon: -97.80336425
X: 2027246
Y: 680475

Surface Hole Loc.:
Lat: 35°12'10.43"N
Lon: 97°48'10.96"W
Lat: 35.20289672
Lon: -97.80304392
X: 2058844
Y: 680432

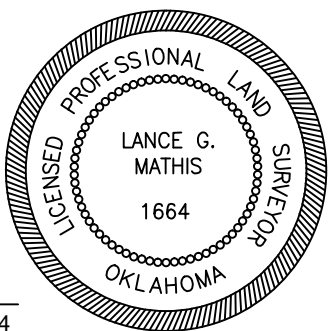
Landing Point:
Lat: 35°12'15.01"N
Lon: 97°48'28.17"W
Lat: 35.20416879
Lon: -97.80782445
X: 2025913
Y: 680912

Landing Point:
Lat: 35°12'14.78"N
Lon: 97°48'27.01"W
Lat: 35.20410516
Lon: -97.80750401
X: 2057510
Y: 680869

Bottom Hole Loc.:
Lat: 35°13'38.02"N
Lon: 97°48'28.22"W
Lat: 35.22722668
Lon: -97.80783973
X: 2025893
Y: 689305

Bottom Hole Loc.:
Lat: 35°13'37.79"N
Lon: 97°48'27.07"W
Lat: 35.22716347
Lon: -97.80751904
X: 2057490
Y: 689262

-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

02/08/2022

OK LPLS 1664

Invoice #9854-A
Date Staked: 02/01/2022 By: G.G.
Date Drawn: 02/07/2022 By: S.S.



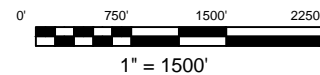
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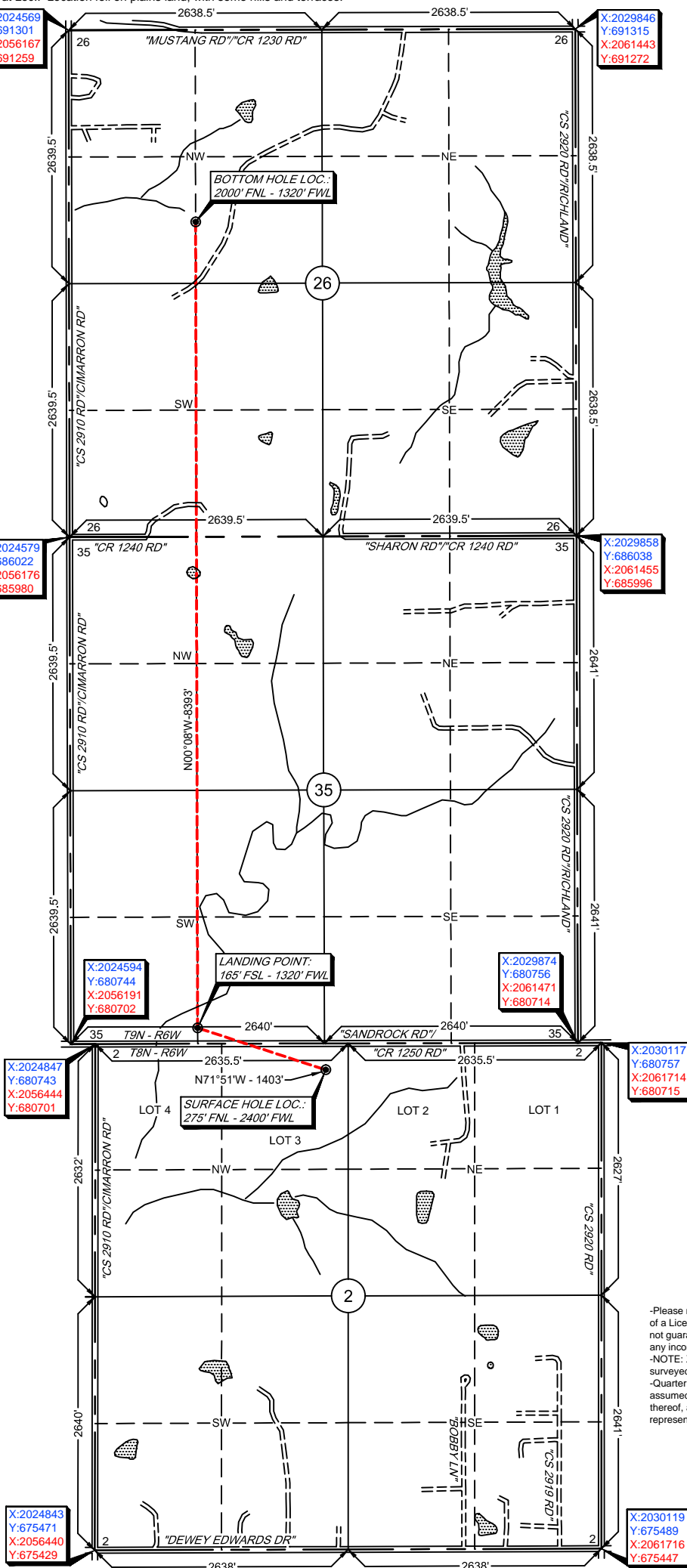
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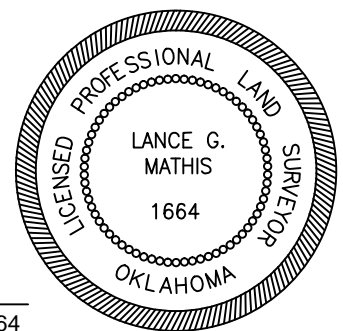
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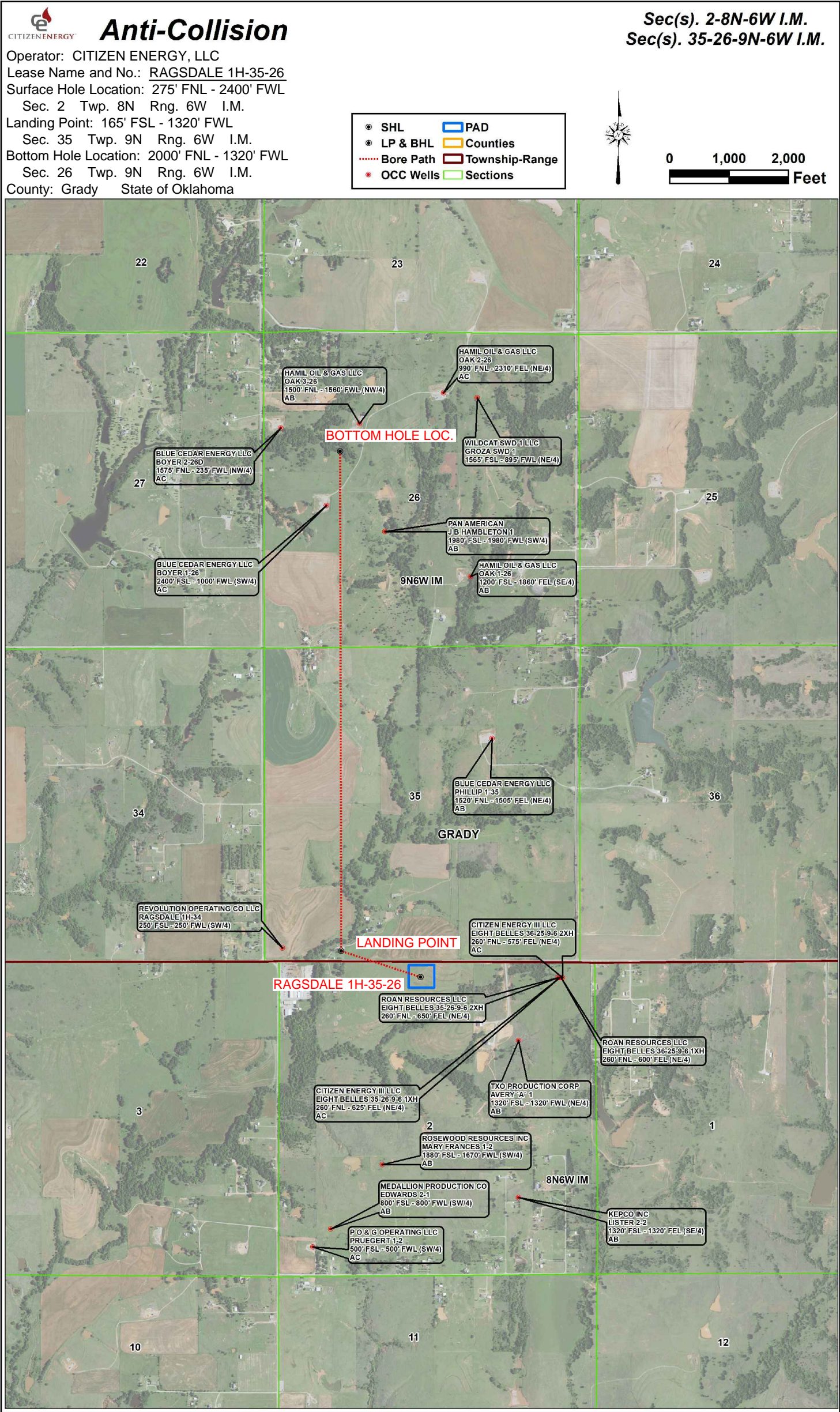
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Date Drawn: 02/07/2022 By: S.S.





Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: RAGSDALE 1H-35-26

Surface Hole Location: 275' FNL - 2400' FWL

Sec. 2 Twp. 8N Rng. 6W I.M.

Landing Point: 165' FSL - 1320' FWL

Sec. 35 Twp. 9N Rng. 6W I.M.

Bottom Hole Location: 2000' FNL - 1320' FWL

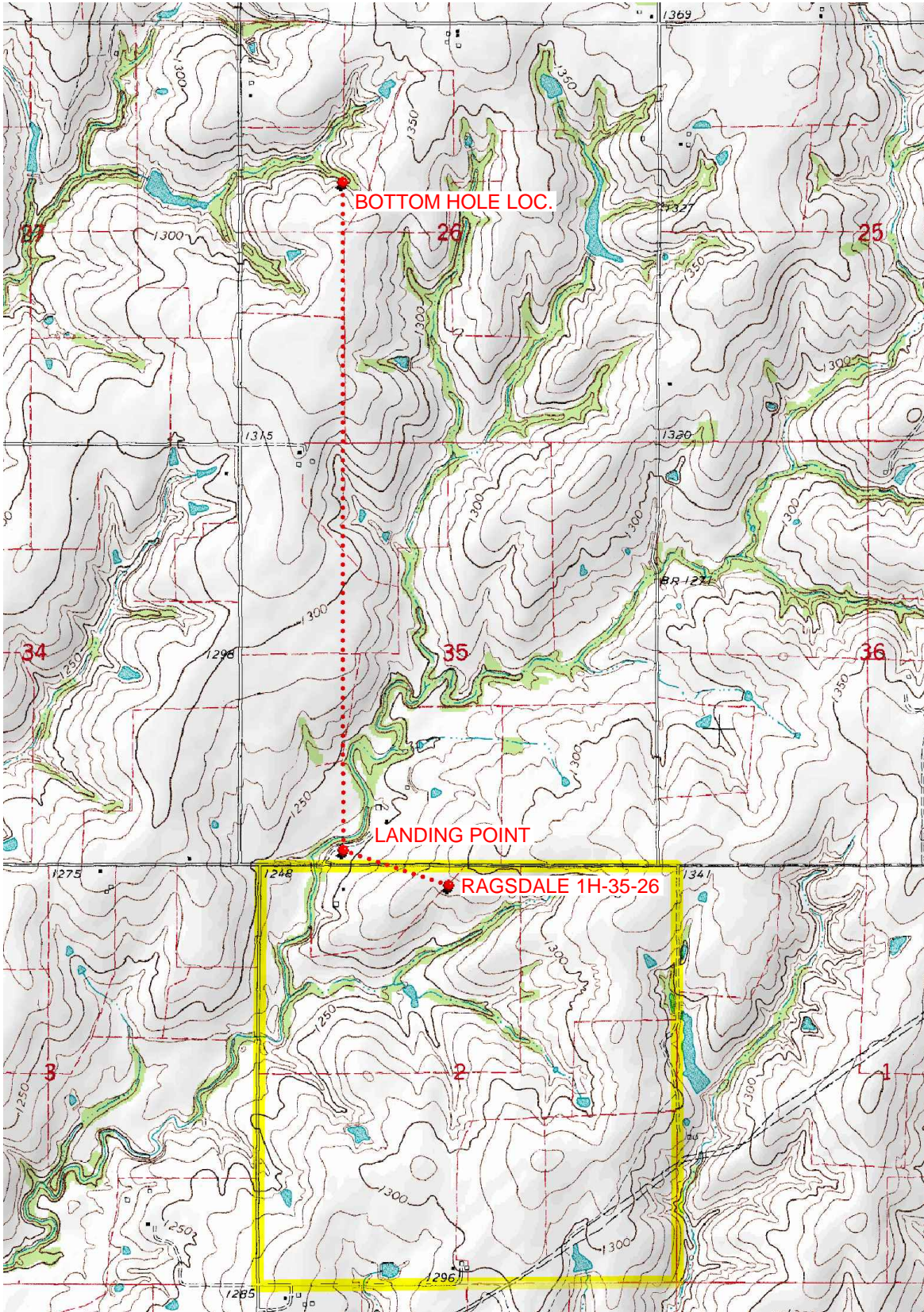
Sec. 26 Twp. 9N Rng. 6W I.M.

County: Grady State of Oklahoma



Scale 1" = 2000'
Contour Interval: 10'

Ground Elevation at Surface Hole Location: 1286'



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: 02/07/2022

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 #: 9854-A

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: RAGSDALE 1H-35-26

Accessibility: From the West.

Directions: From the junction of Highway 92 & "CR1250" in Grady CO., OK, go 3.0 miles East on "CR1250" to the NW/4 of Section 2-8N-6W with the Proposed Site being on the South side of "CR1250"

1 inch = 0.5 mile

provided by,
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