

API NUMBER: 017 25601 A

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

Approval Date: 12/17/2021  
Expiration Date: 06/17/2023

Multi Unit Oil & Gas

**PERMIT TO DRILL**

WELL LOCATION: Section: 07 Township: 10N Range: 5W County: CANADIAN

SPOT LOCATION: ☐ NE ☐ NE ☐ NE ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 2375 2375

Lease Name: DARROW TRUST Well No: 2H-7-6 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

SHERYL DARROW  
P.O. BOX 447  
MUSTANG OK 73064

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

Name	Code	Depth
1 WOODFORD	319WDFD	9400

Spacing Orders: 655175

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202102743  
202102745  
202000124  
202000121

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

Special Orders: No Special

Total Depth: 17404 Ground Elevation: 1290

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 160

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: 20-37201

H. (Other)

SEE MEMO

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.

<b>PIT 1 INFORMATION</b>		<b>Category of Pit:</b> C
<b>Type of Pit System:</b> CLOSED Closed System Means Steel Pits		<b>Liner not required for Category:</b> C
<b>Type of Mud System:</b> WATER BASED		<b>Pit Location is:</b> BED AQUIFER
Chlorides Max: 5000 Average: 3000		<b>Pit Location Formation:</b> DUNCAN
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.

<b>PIT 2 INFORMATION</b>		<b>Category of Pit:</b> C
<b>Type of Pit System:</b> CLOSED Closed System Means Steel Pits		<b>Liner not required for Category:</b> C
<b>Type of Mud System:</b> OIL BASED		<b>Pit Location is:</b> BED AQUIFER
Chlorides Max: 300000 Average: 200000		<b>Pit Location Formation:</b> DUNCAN
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.

<b>PIT 3 INFORMATION</b>		<b>Category of Pit:</b> C
<b>Type of Pit System:</b> CLOSED Closed System Means Steel Pits		<b>Liner not required for Category:</b> C
<b>Type of Mud System:</b> WATER BASED		<b>Pit Location is:</b> BED AQUIFER
Chlorides Max: 5000 Average: 3000		<b>Pit Location Formation:</b> DUNCAN
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.

<b>PIT 4 INFORMATION</b>		<b>Category of Pit:</b> C
<b>Type of Pit System:</b> CLOSED Closed System Means Steel Pits		<b>Liner not required for Category:</b> C
<b>Type of Mud System:</b> OIL BASED		<b>Pit Location is:</b> BED AQUIFER
Chlorides Max: 300000 Average: 200000		<b>Pit Location Formation:</b> DUNCAN
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.

<b>MULTI UNIT HOLE 1</b>				
Section: 6	Township: 10N	Range: 5W	Meridian: IM	Total Length: 7981
County: CANADIAN				Measured Total Depth: 17404
Spot Location of End Point: N2 N2 NW NE				True Vertical Depth: 9150
Feet From: NORTH		1/4 Section Line: 165		End Point Location from
Feet From: EAST		1/4 Section Line: 1980		Lease,Unit, or Property Line: 165

<b>Additional Surface Owner(s)</b>	<b>Address</b>	<b>City, State, Zip</b>
SHERYL DARROW	P.O. BOX 447	MUSTANG, OK 73064

<b>NOTES:</b>
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Category	Description
DEEP SURFACE CASING	1/31/2020 - 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	1/31/2020 - GC2 - 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: OCCEWEB.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
MEMO	1/31/2020 - GC2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - DRY CREEK), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202000121	12/15/2021 - G56 - (E.O.) 6 & 7-10N-5W X665175 WDFD*** SHL (7-10N-5W) 2375' FSL, 2375' FWL COMPL INT (7-10N-5W) NCT 660' FSL, NCT 0' FNL, NCT 660' FEL COMPL INT (6-10N-5W) NCT 165' FNL, NCT 0' FSL, NCT 660' FEL CITIZEN ENERGY III, LLC REC 12/17/2021 (MOORE)  *** S/B X665175 WDFD; WILL BE CORRECTED AT HEARING PER ATTORNEY FOR OPERATOR;
PENDING CD - 202000124	12/15/2021 - G56 - (E.O.) 6-10N-5W X165:10-3-28(C)(2)(B) WDFD (DARROW TRUST 2H-7-6-10N-5W) MAY BE CLOSER THAN 600' TO LEMASTER-SPENCE 1-6 WELL CITIZEN ENERGY III, LLC REC 12/17/2021 (MOORE)
PENDING CD - 202102743	[12/16/2021 - G56] - (E.O.) 6-10N-5W X655175 WDFD 1 WELL CITIZEN ENERGY III, LLC REC 12/17/2021 (MOORE)
PENDING CD - 202102745	[12/16/2021 - G56] - (E.O.) 7-10N-5W X655175 WDFD 2 WELLS CITIZEN ENERGY III, LLC REC 12/17/2021 (MOORE)
SPACING - 655175	[12/16/2021 - G56] - (640)(HOR) 6 & 7-10N-5W EST WDFD POE TO BHL NCT 165' FNL & FSL, NCT 330' FEL & FWL (COEXIST WITH SP # 581353, # 593381 WDFD)
SPACING - 713070	12/15/2021 - G56 - (I.O.) 6 & 7-10N-5W EST MULTIUNIT HORIZONTAL WELL X712358 MSSP*** 33% 7-10N-5W 67% 6-10N-5W CITIZEN ENERGY III, LLC 7/13/2020  *** S/B X655175 WDFD; WILL BE CORRECTED VIA NPT PER ATTORNEY FOR OPERATOR