API NUMBER: 017 25624

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

Approval Date: 06/15/2020
Expiration Date: 12/15/2021

Multi Unit Oil & Gas

PERMIT TO DRILL

| | | | | | | <u>. – </u> | | | DIVILL | | | | | | | |
|---|-------------------|--------------|-------------|------------------------------------|--|----------------|-------------|-------|----------------|-------------|---------------|----------|----------------|--------------|------------|-------------|
| WELL LOCATION: | Section: | 21 | Township | : 11N | Range | e: 7W | County: | CANAL | DIAN | | | | | | | |
| SPOT LOCATION: | NW SW | SE | SE | FEET F | ROM QUARTE | R: FROM | SOUTH | FROM | EAST | | | | | | | |
| | | | | _ | SECTION LINE | S: | 340 | | 1115 | | | | | | | |
| Lease Name: | LOVES | | | | | Well No: | : 3H-21-16 | | | We | ell will be | 340 | feet from r | nearest unit | or lease b | oundary. |
| | | | | | | | | • | | | | 0.0 | | | | |
| Operator Name: | CITIZEN ENE | RGY III LL | C | | | Telephone: | 9189494 | 680 | | | | | OTC/ | OCC Num | iber: 2 | 4120 0 |
| CITIZEN ENE | ERGY III LLC | | | | | | | | | | | | | | | |
| 320 S BOST | ON AVE STE | 900 | | | | | | | BILLY JOE A | | | | | | JST (BIL | LY JOE |
| TULSA, OK 74103-3729 | | | | | AND CATHERINE EUBANKS CO-TRUSTEES) | | | | | | | | | | | |
| | | | | | | | | 4 | 608 CYPER | TRD | | | | | | |
| | | | | | | | | | /UKON | | | | OK | 73099 | | |
| Formation(s) | (Permit Va | lid for Li | stad Fo | rmations | e Only): | | | | | | | | | | | |
| Name | (i eiiiii va | ilu lui Li | Code | | S Offig). | Depth | | 1 | | | | | | | | |
| 1 MISSISSIPF | DIANI | | | | | | | | | | | | | | | |
| 2 WOODFOR | | | | MSSP WDFD | | 10325 10575 | | | | | | | | | | |
| | | | | <u> </u> | | 10373 | | | | | | | | | | |
| Spacing Orders: | 653390 705461 | | | | Loc | ation Exce | ption Order | s: 70 | 05462 | | | Inc | reased Dens | sity Orders: | 705451 | |
| | 705401 | | | | _ | | | | | | _ | | | | 705452 | |
| Pending CD Numb | ers: No Pendi | ng | | | | | | | | | | | Spec | ial Orders: | No Specia | al Orders |
| Total Depth: 2 | 21153 | Ground E | levation: | 1348 | 5 | Surface | Casing: | 1000 |) | | Depth t | o base o | of Treatable \ | Vater-Bearir | ng FM: 370 |) |
| | | | | | | | | | | | | D | eep surfa | ce casing | g has bee | en approved |
| Under | Federal Jurisdic | tion: No | | | | | | A | pproved Method | for dispos | sal of Drilli | ing Flui | ds: | | | |
| Fresh Water Supply Well Drilled: No | | | | | D. One time land application (REQUIRES PERMIT) PERMIT NO: 20-37365 | | | | | | 20-37365 | | | | | |
| Surface Water used to Drill: Yes | | | | | SEE MEMO | ., | , | | , | | | | | | | |
| | | | | | | | | | | | | | | | | |
| PIT 1 INFOR | MATION | | | | | | | | Cate | gory of Pit | : C | | | | | |
| Type of Pit System: CLOSED Closed System Means Steel Pits | | | | L | Liner not required for Category: C | | | | | | | | | | | |
| Type of Mud System: WATER BASED | | | | Pit Location is: NON HSA | | | | | | | | | | | | |
| Chlorides Max: 50 | 000 Average: 30 | 000 | | | | | | | Pit Location I | Formation: | DOG CF | REEK | | | | |
| Is depth to | top of ground wa | ater greate | r than 10ft | below bas | se of pit? | Υ | | | | | | | | | | |
| Within 1 | mile of municipal | l water wel | l? N | | | | | | | | | | | | | |
| | Wellhead Prote | ection Area | i? N | | | | | | | | | | | | | |
| Pit <u>is not</u> l | ocated in a Hydro | ologically S | Sensitive A | rea. | | | | | | | | | | | | |
| PIT 2 INFOR | MATION | | | | | | | | Cate | gory of Pit | : C | | | | | |
| Type of Pit System: CLOSED Closed System Means Steel Pits | | | | Liner not required for Category: C | | | | | | | | | | | | |
| Type of Mud System: OIL BASED | | | | | Pit Location is: NON HSA | | | | | | | | | | | |
| Chlorides Max: 300000 Average: 200000 | | | | | Pit Location Formation: DOG CREEK | | | | | | | | | | | |
| Is depth to | top of ground wa | ater greate | r than 10ft | below bas | se of pit? | Υ | | | | | | | | | | |
| Within 1 | mile of municipal | l water wel | I? N | | | | | | | | | | | | | |

Wellhead Protection Area? N

is not located in a Hydrologically Sensitive Area.

Pit

MULTI UNIT HOLE 1

Section: 16 Township: 11N Range: 7W Total Length: 10255

County: CANADIAN Measured Total Depth: 21153

Spot Location of End Point: NW NE NE NE True Vertical Depth: 10625

Feet From: NORTH 1/4 Section Line: 165 End Point Location from
Feet From: WEST 1/4 Section Line: 401 Lease,Unit, or Property Line: 165

| Additional Surface Owner(s) | Address | City, State, Zip |
|-----------------------------|---------------------|------------------|
| MARY ANN VOSS REVOCABLE | 12100 N. GREGORY RD | YUKON, OK 73099 |
| ALOIS AND THOMAS J TABOREK | 11900 N. GREGORY RD | YUKON, OK 73099 |

| NOTES: | |
|---|---|
| Category | Description |
| DEEP SURFACE CASING | 6/5/2020 - G71 - 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 | 6/5/2020 - G71 - 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 |
| INCREASED DENSITY - 705451 (201904326) | 6/12/2020 - GB6 - (I.O.) 16-11N-7W X653390 WDFD, MSSP 2 WELLS (WDFD) 3 WELLS (MSSP) ROAN RESOURCES, LLC (ROAN RESOURCES, LLC BOUGHT IN ITS ENTIRETY BY CITIZEN ENERGY III LLC) 11/21/2019 |
| INCREASED DENSITY - 705452 (201904327) | 6/12/2020 - GB6 - (I.O.) 21-11N-7W X653390 WDFD, MSSP 2 WELLS (WDFD) 3 WELLS (MSSP) ROAN RESOURCES, LLC (ROAN RESOURCES, LLC BOUGHT IN ITS ENTIRETY BY CITIZEN ENERGY III LLC) 11/21/2019 |
| LOCATION EXCEPTION – 705462 (201904342) | 6/12/2020 - GB6 - (I.O.) 16 & 21 -11N-7W X653390 MSSP, WDFD COMPL. INT. (21-11N-7W) NCT 150' FSL, NCT 0' FNL, NCT 330' FEL COMPL. INT. (16-11N-7W) NCT 0' FSL, NCT 150' FNL, NCT 330' FEL ROAN RESOURCES, LLC (ROAN RESOURCES, LLC BOUGHT IN ITS ENTIRETY BY CITIZEN ENERGY III LLC) 11/21/2019 |
| МЕМО | 6/5/2020 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT |
| SPACING – 653390 | 6/12/2020 - GB6 - (640)(HOR) 16, 21 -11N-7W EST MSSP, WDFD COMPL. INT. (MSSP) NCT 660' FB COMPL. INT. (WDFD) NCT 165' FSL, NCT 165' FNL, NCT 330' FEL, NCT 330' FWL |
| SPACING - 705461 (201904341) | 6/12/2020 - GB6 - (I.O.) 16 & 21 -11N-7W EST MULTIUNIT HORIZONTAL WELL X653390 MSSP, WDFD (MSSP ADJACENT COMMON SOURCES OF SUPPLY TO WDFD) 48% 16-11N-7W 52% 21-11N-7W ROAN RESOURCES, LLC (ROAN RESOURCES, LLC BOUGHT IN ITS ENTIRETY BY CITIZEN ENERGY III LLC) 11/21/2019 |

S.H.L. Sec. 21-11N-7W I.M. B.H.L. Sec. 16-11N-7W I.M.

Operator: CITIZEN ENERGY, LLC Lease Name and No.: LOVES 3H-21-16

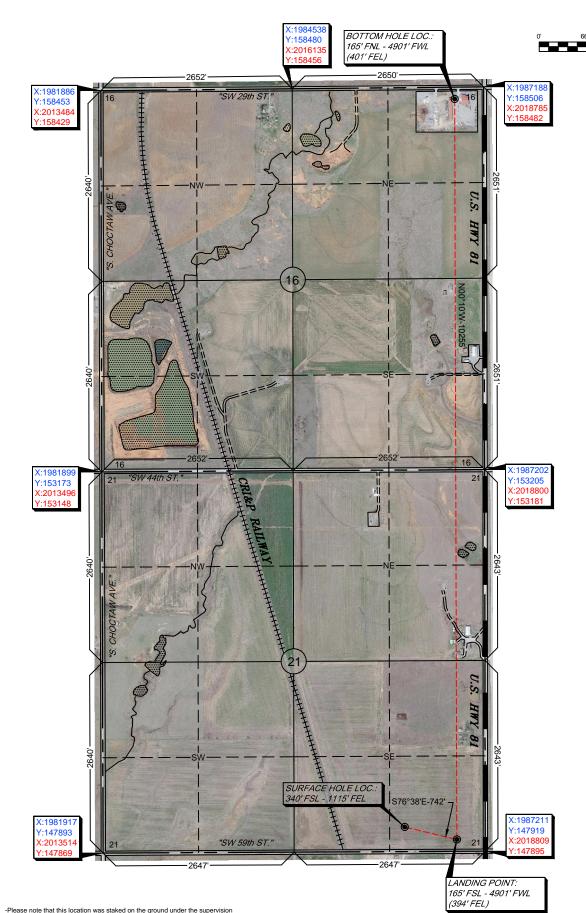
Surface Hole Location: 340' FSL - 1115' FEL Gr. Elevation: 1348.5' NW/4-SW/4-SE/4-SE/4 Section: 21 Township: 11N Range: 7W

Bottom Hole Location: 165' FNL - 4901' FWL (401' FEL)

NW/4-NE/4-NE/4-NE/4 Section: 16 Township: 11N Range: 7W I.M.

State of Oklahoma County: Canadian

Terrain at Loc.: Location fell on existing level pad site.



GPS DATUM NAD 83 NAD 27

1" = 1320'

OK NORTH ZONE

Surface Hole Loc.: Lat: 35°24'26.11"N Lon: 97°56'27.45"W Lat: 35.40725161 Lon: -97.94095821 X: 1986096 Y: 148254

Surface Hole Loc.: Lat: 35°24'25.90"N Lon: 97°56'26.28"W Lat: 35.40719551 Lon: -97.94063275 X: 2017693 Y: 148229

Landing Point: Lat: 35°24'24.41"N Lon: 97°56'18.74"W Lat: 35.40677966 Lon: -97.93853764 X: 1986817 Y: 148082

Landing Point: Lat: 35°24'24.20"N Lon: 97°56'17.56"W Lat: 35.40672352 Lon: -97.93821225 X: 2018415 Y: 148058

Bottom Hole Loc.: Lat: 35°26'05.83"N Lon: 97°56'19.02"W Lat: 35.43495154 Lon: -97.93861540 X: 1986787 Y: 158337

Bottom Hole Loc.: Lat: 35°26'05.63"N Lon: 97°56'17.84"W Lat: 35.43489634 Lon: -97.93828971 X: 2018385 158313

-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 of updataneted. 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, 2020

Invoice #9059-C Date Staked: 05/29/2020 Date Drawn: 06/02/2020

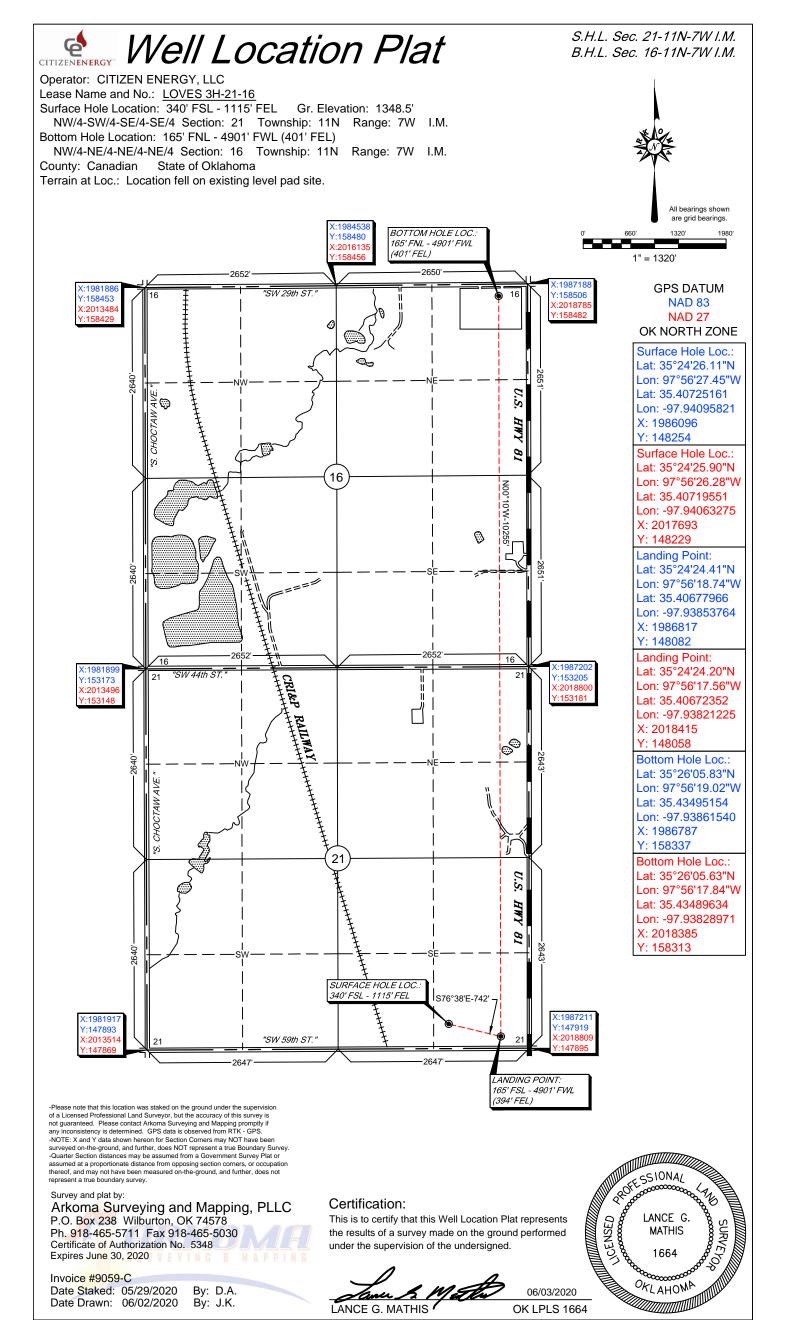
Certification:

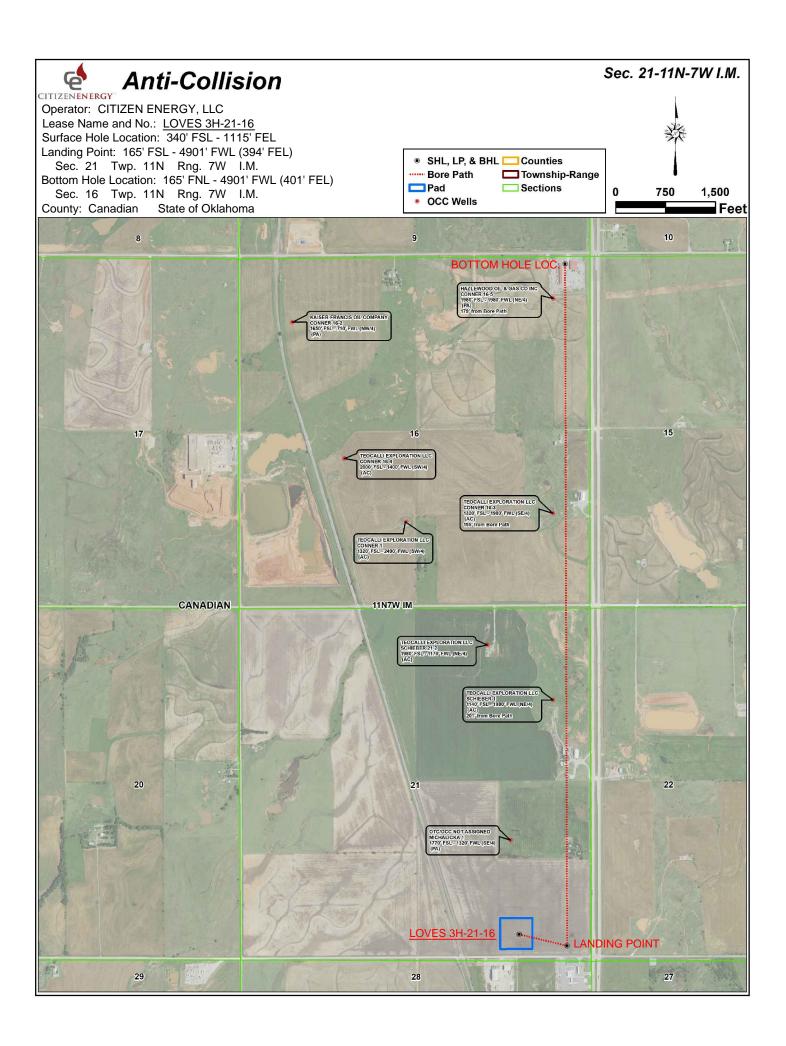
This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.



WILLIAM SE SSIONAL REPORTED TO SERVICE STATEMENT OF THE SERVICE STATEME SURVEYOR LANCE G. MATHIS 1664 TL AHOMA 06/03/2020

SSIONA!







Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: LOVES 3H-21-16
Surface Hole Location: 340' FSL - 1115' FEL
Landing Point: 165' FSL - 4901' FWL (394' FEL)

Sec. 21 Twp. 11N Rng. 7W I.M.

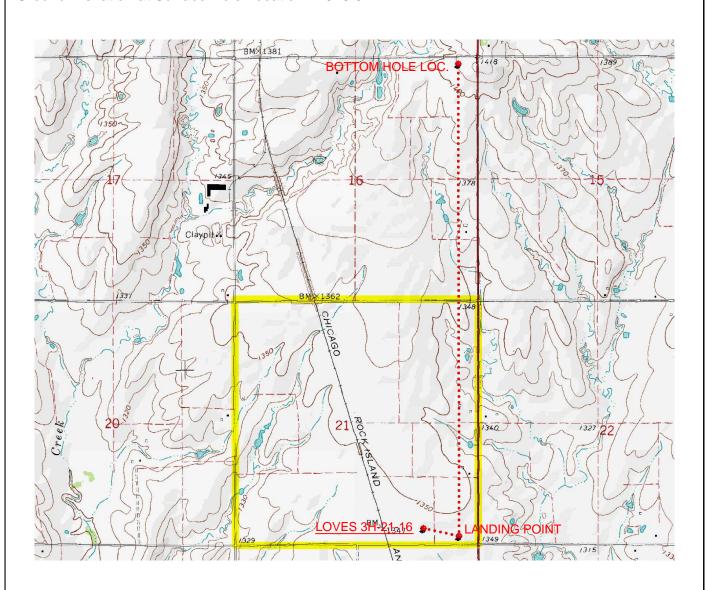
Bottom Hole Location: 165' FNL - 4901' FWL (401' FEL)

Sec. 16 Twp. 11N Rng. 7W I.M. County: Canadian State of Oklahoma

Ground Elevation at Surface Hole Location: 1348.5'



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, 2020

Date Staked: 06/02/2020

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.

