

API NUMBER: 017 25627

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

Approval Date: 09/11/2020

Expiration Date: 03/11/2022

Multi Unit

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 21 Township: 11N Range: 7W County: CANADIAN

SPOT LOCATION: ☐ SW ☐ SE ☐ SE ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 320 2095

Lease Name: ROYSTER

Well No: 3H-21-16

Well will be 320 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

KENNETH AND CHARLCIE ROYSTER TRUST
309 CHISHOLM TRAIL
YUKON OK 73099

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	10400

Spacing Orders: 653390
711061

Location Exception Orders: 710974

Increased Density Orders: 705452
705451

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 20967

Ground Elevation: 1344

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 380

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: 20-37350

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 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? N

Wellhead Protection Area? N

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.

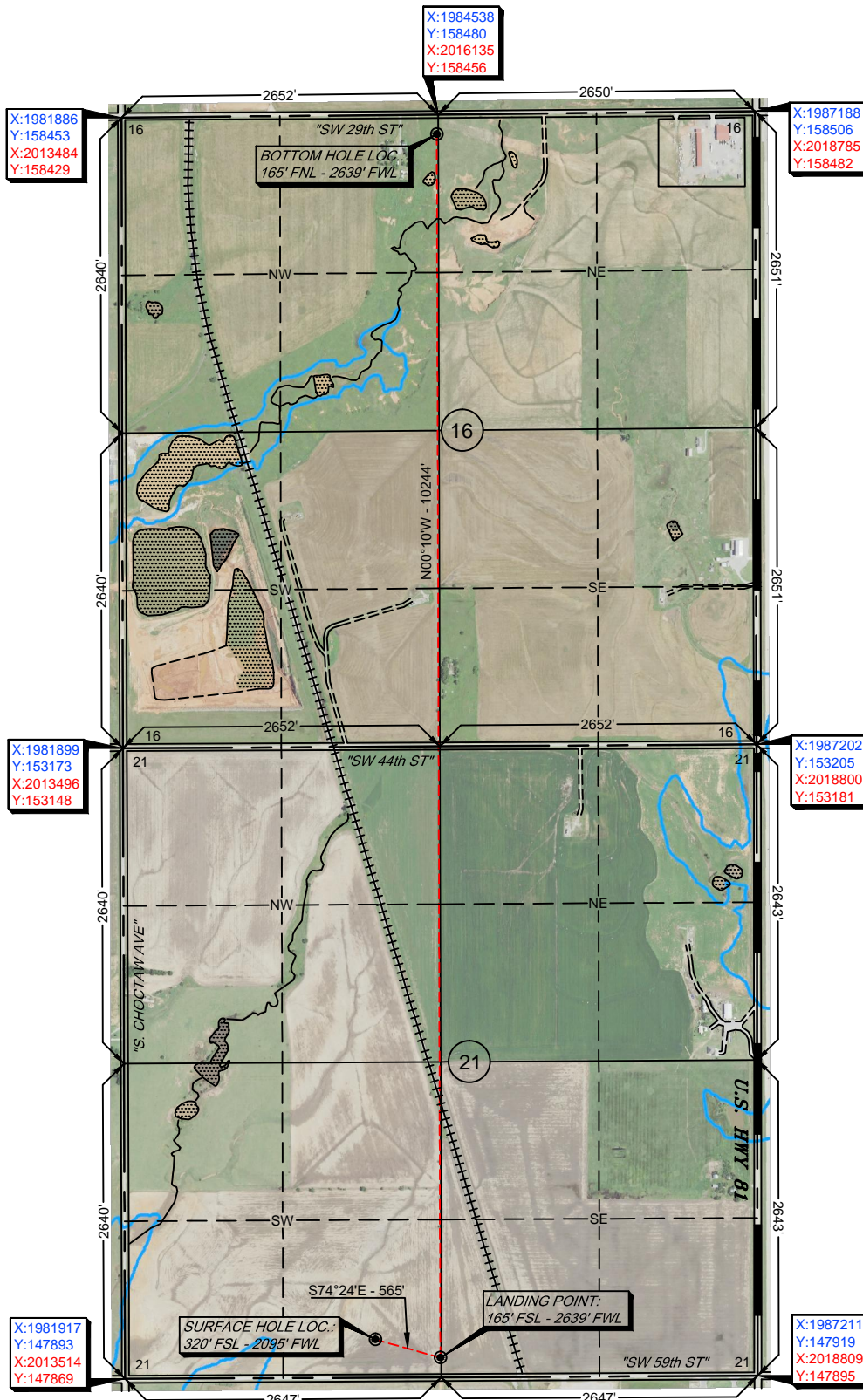
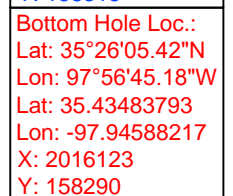
MULTI UNIT HOLE 1				
Section: 16	Township: 11N	Range: 7W	Total Length: 10244	
County: CANADIAN			Measured Total Depth: 20967	
Spot Location of End Point: NE	NE	NE	NW	True Vertical Depth: 10450
Feet From: NORTH	1/4 Section Line: 165		End Point Location from	
Feet From: WEST	1/4 Section Line: 2639		Lease, Unit, or Property Line: 165	

NOTES:

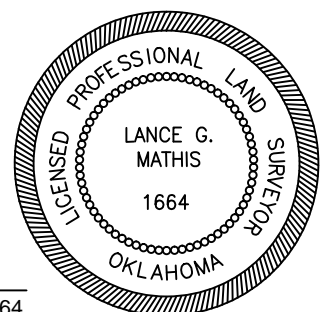
Category	Description
DEEP SURFACE CASING	9/9/2020 - GC2 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	9/9/2020 - GC2 - OCC 165:10-3-10 REQUIRES: 1) PRIOR TO COMMENCEMENT OF 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
INCREASED DENSITY - 705451	9/11/2020 - G56 - (I.O.) 16-11N-7W X653390 MSSP 3 WELLS ROAN RESOURCES, LLC (BOUGHT IN IT'S ENTIRETY BY CITIZEN ENERGY III, LLC) 11/21/2019
INCREASED DENSITY - 705452	9/11/2020 - G56 - (I.O.) 21-11N-7W X653390 MSSP 3 WELLS ROAN RESOURCES, LLC (BOUGHT IN IT'S ENTIRETY BY CITIZEN ENERGY III, LLC) 11/21/2019
LOCATION EXCEPTION - 710974 (202000863)	9/11/2020 - G56 - (I.O.) 16 & 21-11N-7W X653390 MSSP COMPL INT (21-11N-7W) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL COMPL INT (16-11N-7W) NCT 0' FSL, NCT 165' FNL, NCT 330' FEL NO OP NAMED 4/24/2020
MEMO	9/9/2020 - GC2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 653390	9/11/2020 - G56 - (640)(HOR) 16 & 21-11N-7W EST MSSP, OTHER POE TO BHL NCT 660' FB
SPACING - 711061 (202000862)	9/11/2020 - G56 - (I.O.) 16 & 21-11N-7W EST MULTIUNIT HORIZONTAL WELL X653390 MSSP 50% 16-11N-7W 50% 21-11N-7W NO OP NAMED 4/28/2020



Terrain at Loc.: Location fell in flat, open field.



OK LPLS 1664





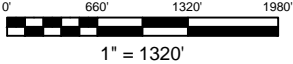
Well Location Plat

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.: ROYSTER 3H-21-16
Surface Hole Location: 320' FSL - 2095' FWL Gr. Elevation: 1344'
SW/4-SE/4-SE/4-SW/4 Section: 21 Township: 11N Range: 7W I.M.
Bottom Hole Location: 165' FNL - 2639' FWL
NE/4-NE/4-NE/4-NW/4 Section: 16 Township: 11N Range: 7W I.M.
County: Canadian State of Oklahoma
Terrain at Loc.: Location fell in flat, open field.



All bearings shown
are grid bearings.



GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc.:
Lat: 35°24'25.82"N
Lon: 97°56'52.63"W
Lat: 35.40717118
Lon: -97.94795410
X: 1984011
Y: 148223

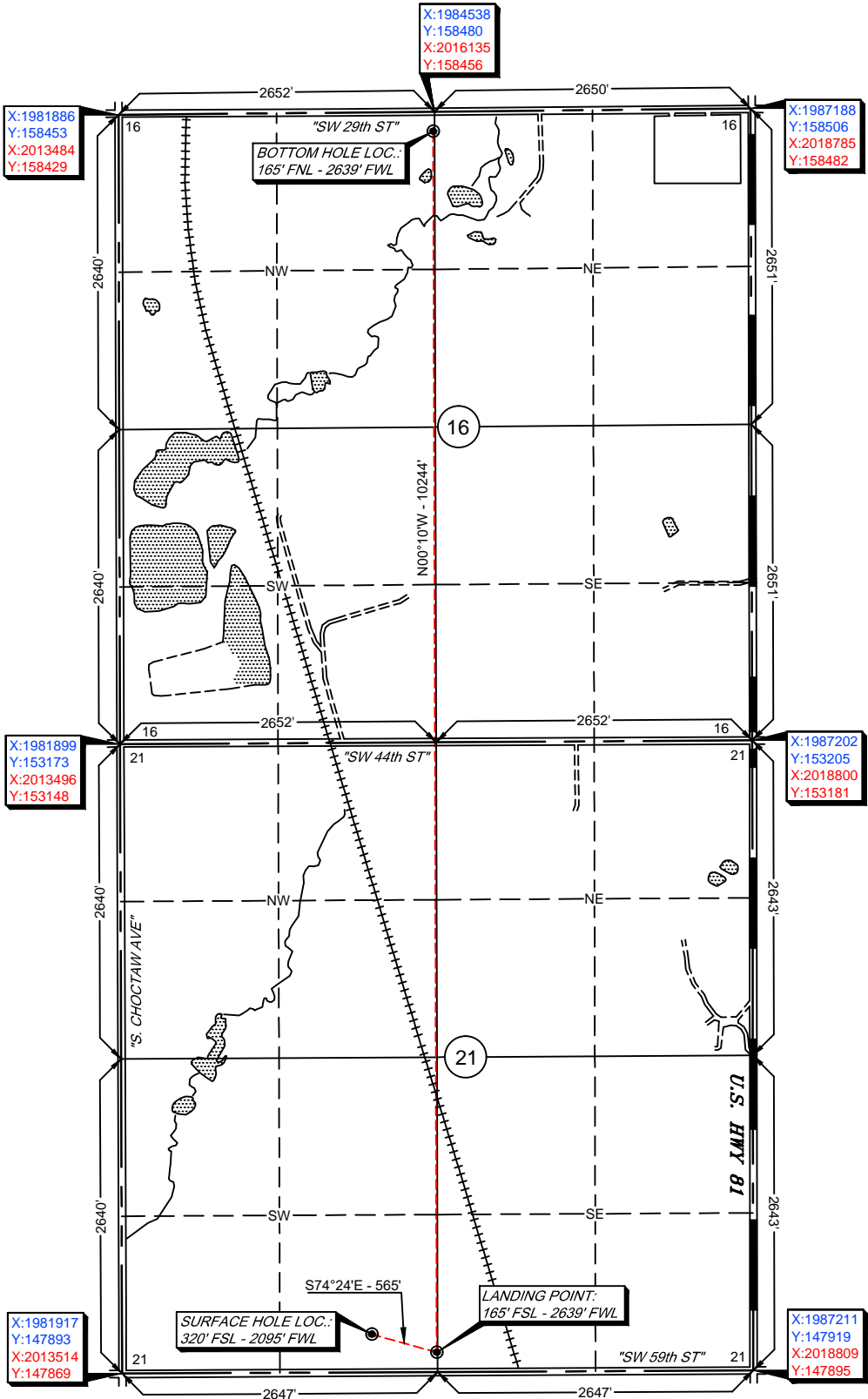
Surface Hole Loc.:
Lat: 35°24'25.61"N
Lon: 97°56'51.46"W
Lat: 35.40711515
Lon: -97.94762848
X: 2015608
Y: 148199

Landing Point:
Lat: 35°24'24.31"N
Lon: 97°56'46.06"W
Lat: 35.40675260
Lon: -97.94612764
X: 1984555
Y: 148071

Landing Point:
Lat: 35°24'24.11"N
Lon: 97°56'44.89"W
Lat: 35.40669654
Lon: -97.94580205
X: 2016153
Y: 148047

Bottom Hole Loc.:
Lat: 35°26'05.61"N
Lon: 97°56'46.35"W
Lat: 35.43489304
Lon: -97.94620803
X: 1984525
Y: 158315

Bottom Hole Loc.:
Lat: 35°26'05.42"N
Lon: 97°56'45.18"W
Lat: 35.43483793
Lon: -97.94588217
X: 2016123
Y: 158290



- 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, 2020

Invoice #: 9029-D
Date Staked: 04/09/2020 By: B.M.
Date Drawn: 04/10/2020 By: K.M.
Rev. SHL/LP/BHL: 05/29/2020 By: R.S.

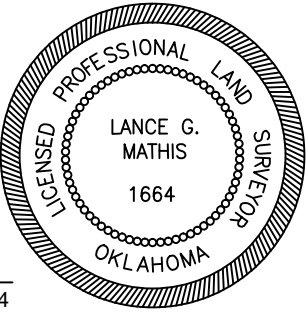
Certification:

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

06/01/2020

OK LPLS 1664





Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: ROYSTER 3H-21-16

Surface Hole Location: 320' FSL - 2095' FWL

Landing Point: 165' FSL - 2639' FWL

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

Bottom Hole Location: 165' FNL - 2639' FWL

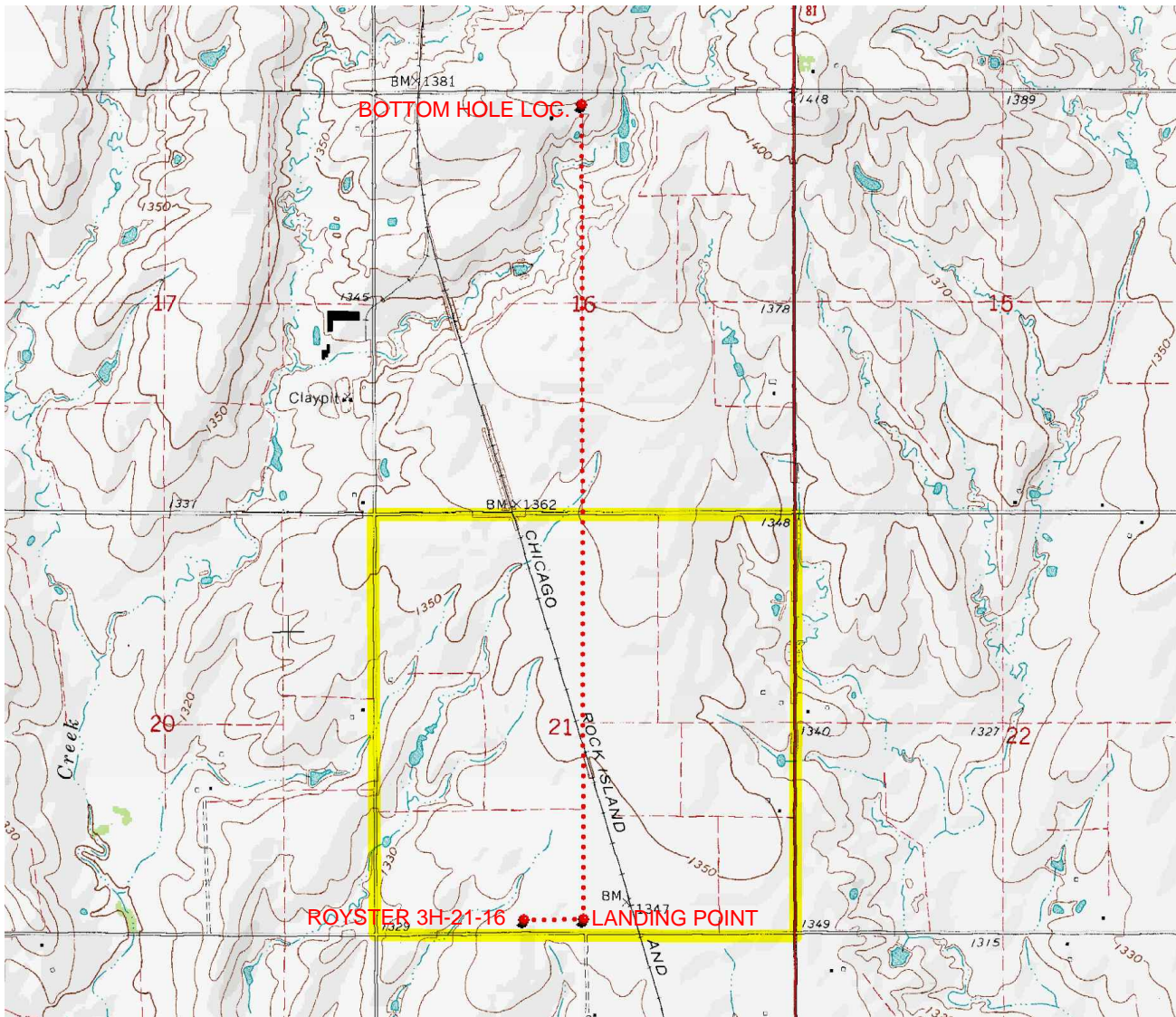
Sec. 16 Twp. 11N Rng. 7W I.M.

County: Canadian State of Oklahoma

Ground Elevation at Surface Hole Location: 1344'



Scale 1" = 2000'
Contour Interval: 10'



Provided by:

Arkoma Surveying and Mapping, PLLC

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Certificate of Authorization No. 5348

Expires June 30, 2020

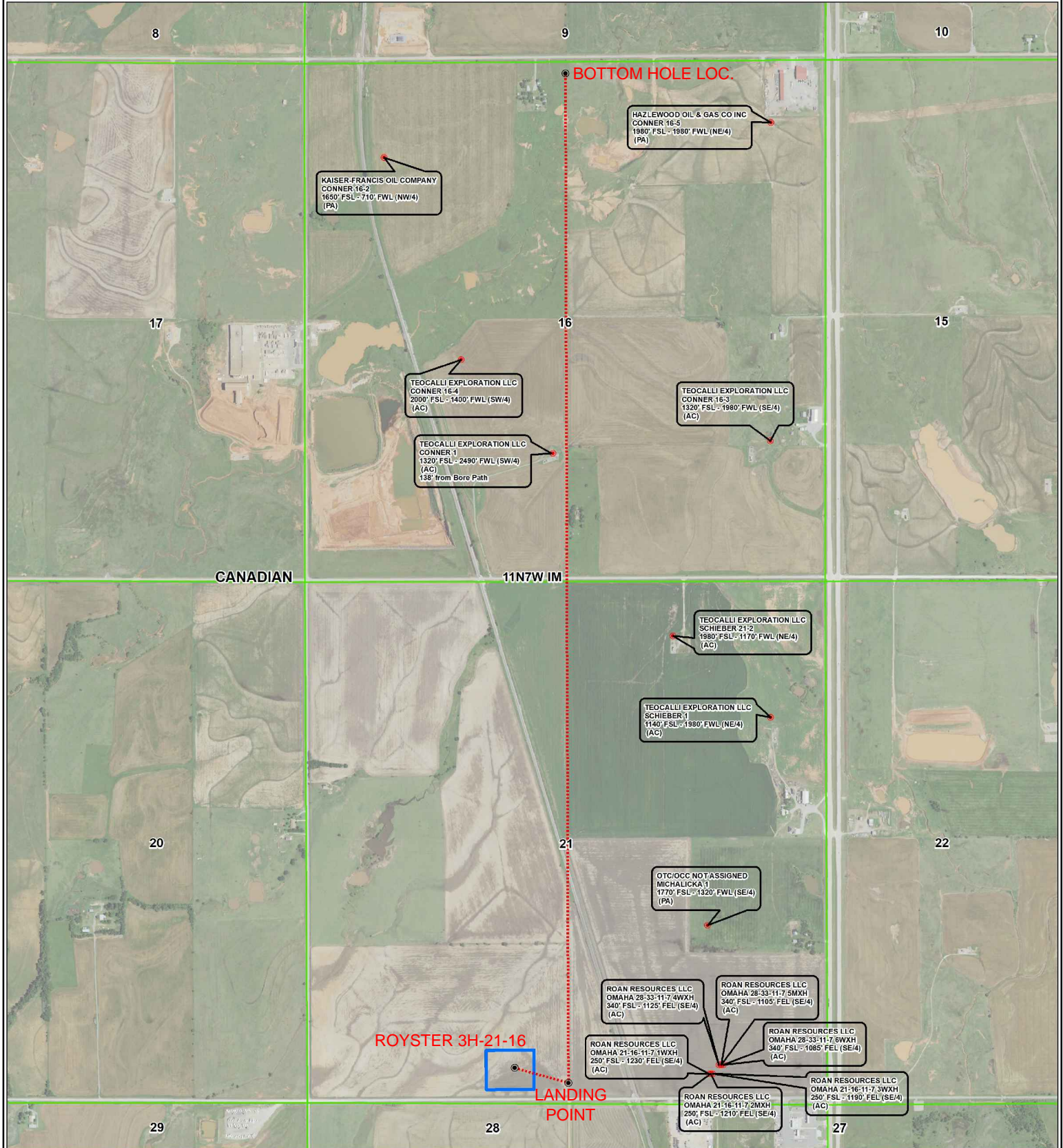
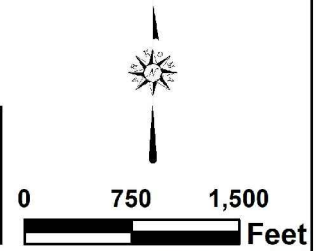
Date Staked: 04/09/2020

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.

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 Landing Point: 165' FSL - 2639' FWL
 Sec. 21 Twp. 11N Rng. 7W I.M.
 Bottom Hole Location: 165' FSL - 2639' FWL
 Sec. 16 Twp. 11N Rng. 7W I.M.
 County: Canadian State of Oklahoma



County Highway Vicinity Map

Job #: 9029-D

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: ROYSTER 3H-21-16

Accessibility: From the South.

Directions: From the junction of US HWY 81 & State HWY 152 in the town of Union City, OK, go 1.0 mile North on US HWY 81, then go 0.6 miles West on "SW 59th St" to the Southwest Quarter of Section 21-11N-7W on the North side of the road.



1 inch = 0.5 mile

provided by,
Arkoma Surveying and Mapping, PLLC
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Ph. 918-465-5711 Fax 918-465-5030
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