

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

API NUMBER: 017 25629

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 2035

Lease Name: ROYSTER Well No: 1H-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 Location Exception Orders: 705454 Increased Density Orders: No Density Orders
705453

Pending CD Numbers: No Pending Special Orders: No Special Orders

Total Depth: 20959 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: 20-37348
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: 10236	
County: CANADIAN			Measured Total Depth: 20959	
Spot Location of End Point: NE	NE	NW	NW	True Vertical Depth: 10450
Feet From: NORTH	1/4 Section Line: 165		End Point Location from	
Feet From: WEST	1/4 Section Line: 1131		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: OCCWEB.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
LOCATION EXCEPTION - 705454	9/11/2020 - G56 - (I.O.) 16 & 21-11N-7W X653390 MSSP, OTHER COMPL INT (21-11N-7W) NCT 150' FSL, NCT 0' FNL, NCT 1100' FWL COMPL INT (16-11N-7W) NCT 0' FSL, NCT 150' FNL, NCT 1100' FWL ROAN RESOURCES, LLC (BOUGHT IN IT'S ENTIRETY BY CITIZEN ENERGY III, LLC) 11/21/2019
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 - 705453	9/11/2020 - G56 - (I.O.) 16 & 21-11N-7W EST MULTIUNIT HORIZONTAL WELL X653390 MSSP, OTHER 46% 16-11N-7W 54% 21-11N-7W ROAN RESOURCES, LLC (BOUGHT IN IT'S ENTIRETY BY CITIZEN ENERGY III, LLC) 11/21/2019



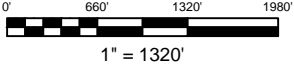
Well Location Plat

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 1H-21-16
Surface Hole Location: 320' FSL - 2035' 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 - 1131' FWL
NE/4-NE/4-NW/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°24'25.81"N
Lon: 97°56'53.36"W
Lat: 35.40717044
Lon: -97.94815543
X: 1983951
Y: 148223

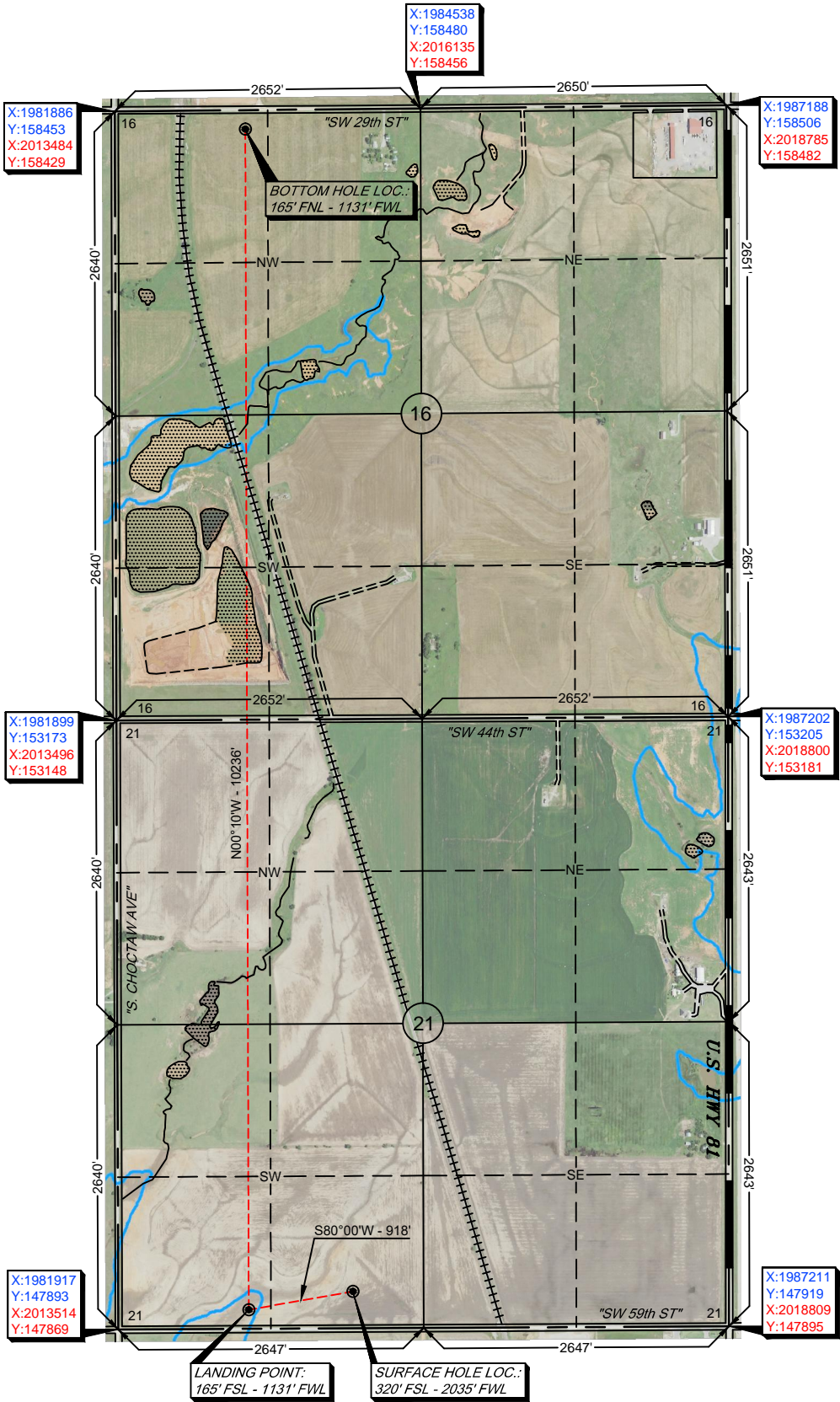
Surface Hole Loc.:
Lat: 35°24'25.61"N
Lon: 97°56'52.19"W
Lat: 35.40711441
Lon: -97.94782980
X: 2015548
Y: 148199

Landing Point:
Lat: 35°24'24.24"N
Lon: 97°57'04.28"W
Lat: 35.40673430
Lon: -97.95118764
X: 1983047
Y: 148064

Landing Point:
Lat: 35°24'24.04"N
Lon: 97°57'03.10"W
Lat: 35.40667830
Lon: -97.95086195
X: 2014645
Y: 148039

Bottom Hole Loc.:
Lat: 35°26'05.47"N
Lon: 97°57'04.57"W
Lat: 35.43485317
Lon: -97.95126978
X: 1983018
Y: 158299

Bottom Hole Loc.:
Lat: 35°26'05.27"N
Lon: 97°57'03.40"W
Lat: 35.43479812
Lon: -97.95094377
X: 2014615
Y: 158275



- 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

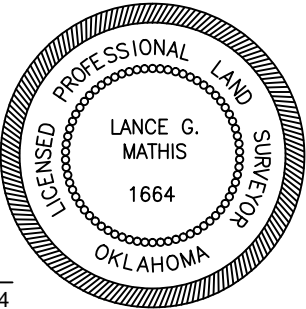
Certification:

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



Invoice #: 9029-A
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.



Well Location Plat

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County: Canadian State of Oklahoma

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All bearings shown
are grid bearings.

0' 660' 1320' 1980'
1" = 1320'

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NAD 27

OK NORTH ZONE

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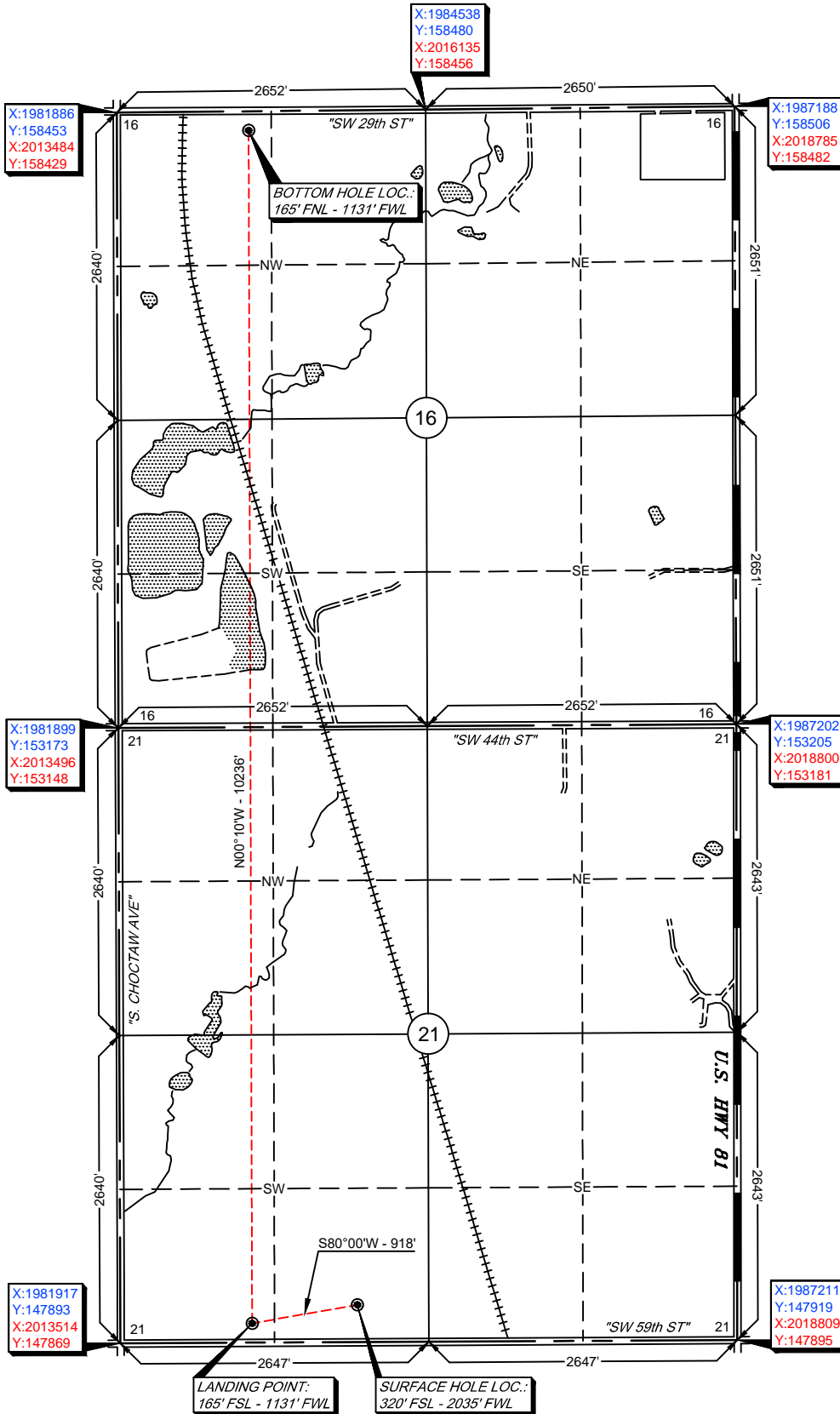
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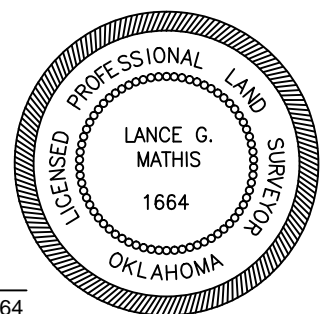
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Lance G. Mathis
LANCE G. MATHIS

06/01/2020

OK LPLS 1664





Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: ROYSTER 1H-21-16

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Landing Point: 165' FSL - 1131' FWL

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

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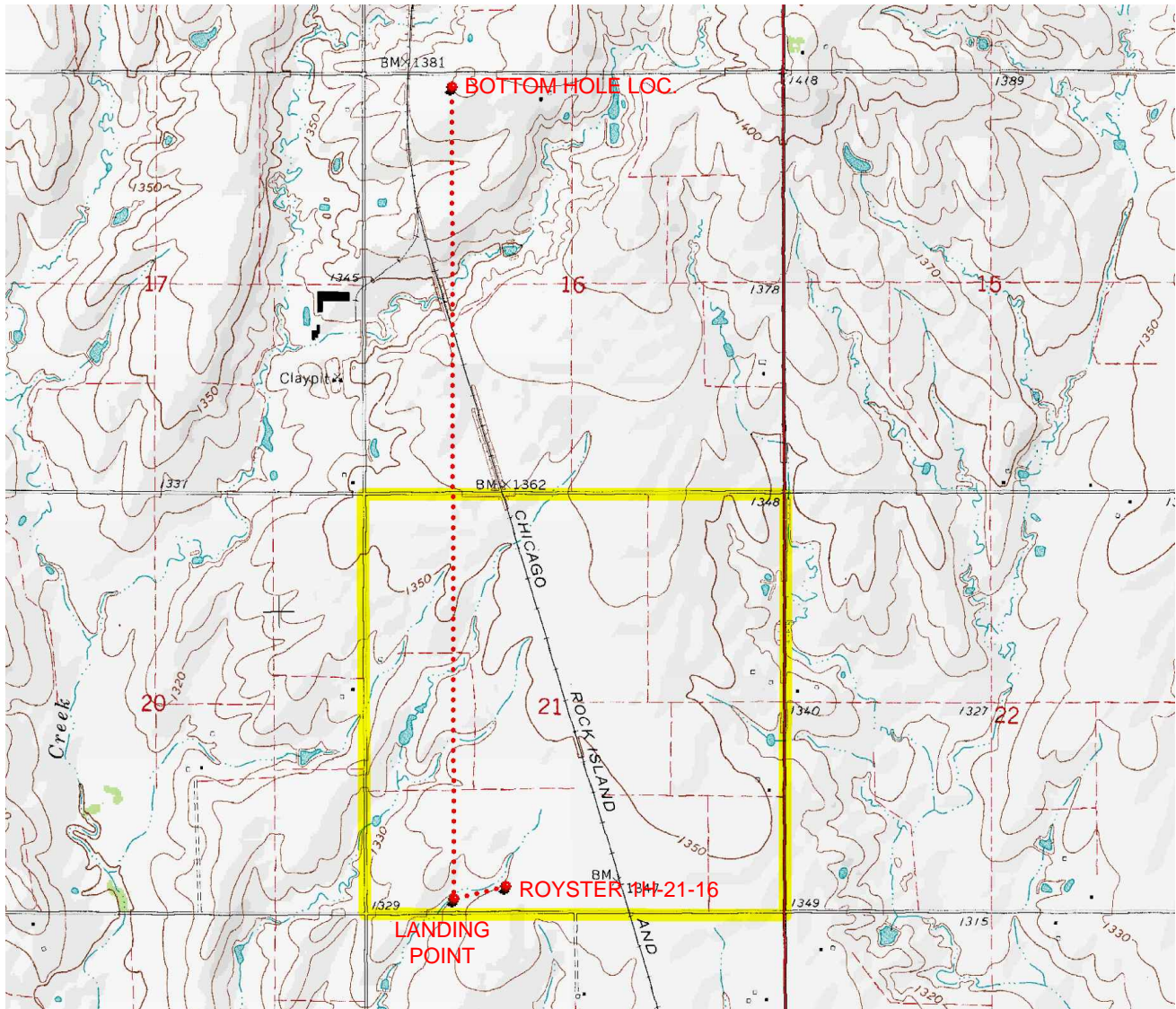
Sec. 16 Twp. 11N Rng. 7W I.M.

County: Canadian State of Oklahoma

Ground Elevation at Surface Hole Location: 1344'



Scale 1" = 2000'
Contour Interval: 10'



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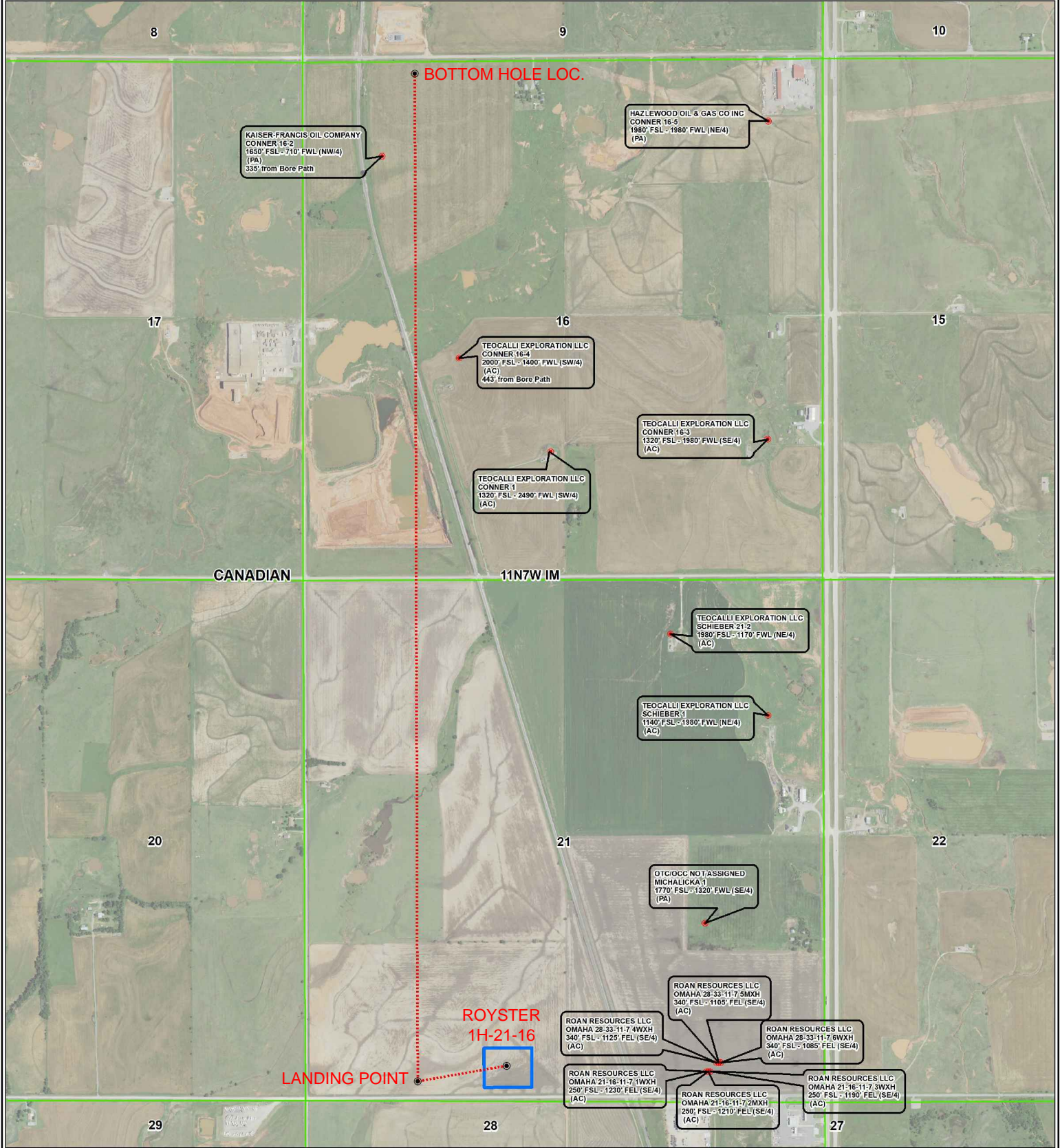
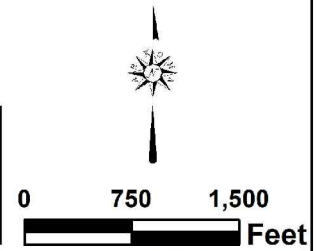
Date Staked: 04/09/2020

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.

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



County Highway Vicinity Map

Job #: 9029-B

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: ROYSTER 1H-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,
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