

API NUMBER: 051 24952

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

Approval Date: 07/25/2022

Expiration Date: 01/25/2024

Multi Unit

Oil & Gas

**PERMIT TO DRILL**

WELL LOCATION: Section: 15 Township: 9N Range: 8W County: GRADY

SPOT LOCATION: ☐ NE ☐ NE ☐ NW ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 2398 1073

Lease Name: SAVAGE Well No: 3H-15-10 Well will be 1073 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

MIKE AND DEONN J. SAVAGE  
1088 COUNTY STREET 2790  
POCASSET OK 73079

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	13250
2	WOODFORD	319WDFD	13350

Spacing Orders: 674869  
679965

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202202650  
202202651  
202202652  
202202649

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

Special Orders: No Special

Total Depth: 21100

Ground Elevation: 1317

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 910

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: 22-38370

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: 10	Township: 9N	Range: 8W	Meridian: IM	Total Length: 7773
County: GRADY				Measured Total Depth: 21100
Spot Location of End Point: NE NE NE NW				True Vertical Depth: 13350
Feet From: <b>NORTH</b>		1/4 Section Line: 165		End Point Location from
Feet From: <b>WEST</b>		1/4 Section Line: 2320		Lease, Unit, or Property Line: 165

**NOTES:**

Category	Description
DEEP SURFACE CASING	[7/19/2022 - 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>[7/19/2022 - 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 6000NH shall be used and is found at this link: <a href="http://OCCWEB.COM/OG/OGFORMS.HTML">OCCWEB.COM/OG/OGFORMS.HTML</a>; 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 <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
MEMO	[7/19/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202202649	<p>[7/25/2022 - GB1] - (E.O.) 10 &amp; 15-9N-8W  EST MULTIUNIT HORIZONTAL WELL  X674869 MSSP, WDFD 10-9N-8W  X679965 MSSP, WDFD 15-9N-8W  (WDFD ADJ CSS TO MSSP)  33% 15-9N-8W  67% 10-9N-8W  CITIZEN ENERGY III, LLC  REC 7/18/2022 (MOORE)</p>
PENDING CD - 202202650	<p>[7/25/2022 - GB1] - (E.O.) 10 &amp; 15-9N-8W  X674869 MSSP, WDFD 10-9N-8W  X679965 MSSP, WDFD 15-9N-8W  COMPL INT (15-9N-8W) NCT 2000' FSL, NCT 0' FNL, NCT 2000' FWL  COMPL INT (10-9N-8W) NCT 0' FSL, NCT 165' FNL, NCT 2000' FWL  CITIZEN ENERGY III, LLC  REC 7/18/2022 (MOORE)</p>
PENDING CD - 202202651	<p>[7/25/2022 - GB1] - (E.O.) 10-9N-8W  X674869 MSSP  1 WELL  CITIZEN ENERGY III, LLC  REC 7/18/2022 (MOORE)</p>
PENDING CD - 202202652	<p>[7/25/2022 - GB1] - (E.O.) 15-9N-8W  X674869 MSSP***  1 WELL  CITIZEN ENERGY III, LLC  REC 7/18/2022 (MOORE)</p> <p>*** S/B X679965 MSSP; WILL BE CORRECTED ON ORDER PER ATTORNEY</p>
SPACING - 674869	<p>[7/25/2022 - GB1] - (640)(HOR) 10-9N-8W  EST MSSP, WDFD, OTHER  COMPL INT (MSSP, OTHER) NCT 660' FB  COMPL INT (WDFD) NCT 165' FNL/FSL, NCT 330' FEL/FWL  (COESIST SP 98732/107705 MSSP, CSTR; 197444 MRMC)</p>
SPACING - 679965	<p>[7/25/2022 - GB1] - (640)(HOR) 15-9N-8W  VAC 197444 CSTR  EST MSSP, WDFD, OTHER  COMPL INT (MSSP, OTHER) NCT 660' FB  COMPL INT (WDFD) NCT 165' FNL/FSL, NCT 330' FEL/FWL  (COEXIST SP 197444 MRMC)</p>