

API NUMBER: 051 24951

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 1043

Lease Name: SAVAGE

Well No: 2H-15-22

Well will be 1043 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	13500
2	MISSISSIPPIAN (LESS CHESTER)	359MSNLC	13500
3	WOODFORD	319WDFD	13600

Spacing Orders: 679965

Location Exception Orders: No Exceptions

Increased Density Orders: 726084

Pending CD Numbers: 202201006
202201010
202201009

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 21000

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: 22	Township: 9N	Range: 8W	Meridian: IM	Total Length: 7410
County: GRADY				Measured Total Depth: 21000
Spot Location of End Point: S2 S2 S2 SW				True Vertical Depth: 13600
Feet From: SOUTH		1/4 Section Line: 165		End Point Location from
Feet From: WEST		1/4 Section Line: 1320		Lease, Unit, or Property Line: 165

NOTES:

Category	Description
DEEP SURFACE CASING	[6/9/2022 - 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>[6/9/2022 - 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 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCWEB.COM/OG/OGFORMS.HTML; 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 FRACFOCUS.ORG</p>
INCREASED DENSITY - 726084	<p>[6/20/2022 - GB1] - 15-9N-8W X679965 MSSP 2 WELLS (1 MSSP, 1WDFD) CITIZEN ENERGY III, LLC 6/10/22</p>
MEMO	[6/9/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202201006	<p>[6/20/2022 - GB1] - (E.O.)(640)(HOR) 22-9N-8W EST MSSP, WDFD*** COMPL INT (MSSP) NCT 660' FB*** COMPL INT (WDFD) NCT 165' FNL/FSL, NCT 330' FEL/FWL REC 7/22/22 (MOORE)</p> <p>*** WILL BE COEXIST 197444 MRMC; FORMATION CHANGED TO MSNLC PER ALJ REPORT; WILL CORRECT PER ATTORNEY</p>
PENDING CD - 202201009	<p>[6/20/2022 - GB1] - (E.O.) 15 & 22-9N-8W EST MULTIUNIT HORIZONTAL WELL X202201006 MSSP, WDFD 22-9N-8W *** X679965 MSSP, WDFD 15-9N-8W (WDFD ADJ CSS TO MSSP) 33% 15-9N-8W 67% 22-9N-8W CITIZEN ENERGY III, LLC REC 7/22/2022 (MOORE)</p> <p>*** WILL BE CHANGED TO MSNLC PER ALJ REPORT</p>
PENDING CD - 202201010	<p>[6/20/2022 - GB1] - (E.O.) 15 & 22-9N-8W X202201006 MSSP, WDFD 22-9N-8W *** X679965 MSSP, WDFD 15-9N-8W COMPL INT (15-9N-8W) NCT 2400' FNL, NCT 0' FSL, NCT 1320' FWL COMPL INT (22-9N-8W) NCT 0' FNL, NCT 165' FSL, NCT 1320' FWL CITIZEN ENERGY III, LLC REC 7/22/2022 (MOORE)</p> <p>*** WILL BE CHANGED TO MSNLC PER ALJ REPORT</p>
SPACING - 679965	<p>[6/20/2022 - 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>