

API NUMBER: 017 25617

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

Approval Date: 03/19/2020

Expiration Date: 09/19/2021

Multi Unit

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 07 Township: 10N Range: 5W County: CANADIAN

SPOT LOCATION: ☐ NE ☐ NE ☐ NE ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2375 2345

Lease Name: DARROW TRUST

Well No: 3H-7-18

Well will be 2345 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

KEITH DARROW
P.O. BOX447
MUSTANG OK 73064

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	9100

Spacing Orders: No Spacing

Location Exception Orders: No Exceptions

Increased Density Orders: No Density Orders

Pending CD Numbers: 202000378

202000379

202000384

202000376

202000116

202000382

Special Orders: No Special Orders

Total Depth: 16675

Ground Elevation: 1290

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 160

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: 20-37198

H. 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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: BED AQUIFER

Pit Location Formation: DUNCAN

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 300000 Average: 300000

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: BED AQUIFER

Pit Location Formation: DUNCAN

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: 18	Township: 10N	Range: 5W	Total Length: 7247
County: GRADY			Measured Total Depth: 16675
Spot Location of End Point: S2	S2	S2	SW
Feet From: SOUTH			1/4 Section Line: 165
Feet From: WEST			1/4 Section Line: 1320
End Point Location from			Lease, Unit, or Property Line: 165

Additional Surface Owner(s)	Address	City, State, Zip
SHERYL DARROW	P.O. BOX 447	MUSTANG, OK 73064

NOTES:

Category	Description
DEEP SURFACE CASING	3/13/2020 - 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	3/13/2020 - 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
MEMO	3/13/2020 - GC2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202000116	3/19/2020 - G56 - (E.O.)(640)(HOR) 6 & 7-10N-5W VAC 237454 MISS EST MSSP POE TO BHL NCT 660' FB REC 2/10/2020 (MOORE)
PENDING CD - 202000376	3/19/2020 - G56 - (640)(HOR) 18-10N-5W EST MSSP POE TO BHL NCT 660' FB (COEXIST WITH SP # 246459 MISS) REC 3/2/2020 (MOORE)
PENDING CD - 202000378	3/19/2020 - G56 - (E.O.) 7 & 18-10N-5W EST MULTIUNIT HORIZONTAL WELL X202000116 MSSP 7-10N-5W X202000376 MSSP 18-10N-5W 33% 7-10N-5W 67% 18-10N-5W CITIZEN ENERGY III, LLC REC 3/6/2020 (JOHNSON)
PENDING CD - 202000379	3/19/2020 - G56 - (E.O.) 7 & 18-10N-5W X202000116 MSSP 7-10N-5W X202000376 MSSP 18-10N-5W SHL (7-10N-5W) 2375' FSL, 2345' FWL COMPL INT (7-10N-5W) NCT 660' FNL, NCT 0' FSL, NCT 660' FWL COMPL INT (18-10N-5W) NCT 165' FSL, NCT 0' FNL, NCT 660' FWL CITIZEN ENERGY III, LLC REC 3/6/2020 (JOHNSON)
PENDING CD - 202000382	3/19/2020 - G56 - (E.O.) 7-10N-5W X202000116 MSSP 2 WELLS CITIZEN ENERGY III, LLC REC 3/6/2020 (JOHNSON)

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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.

PENDING CD - 202000384

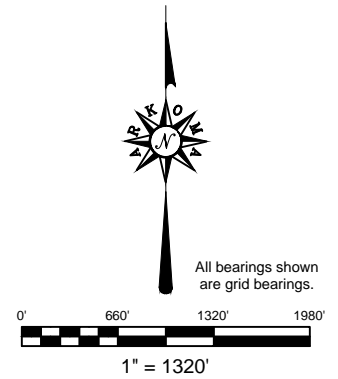
3/19/2020 - G56 - (E.O) 7-10N-5W
X165:10-3-28(C)(2)(B) MSSP (DARROW TRUST 3H-7-18-10N-5W)***
MAY BE CLOSER THAN 600' TO DARROW TRUST 1H-7-6-10N-5W WELL
CITIZEN ENERGY III, LLC
REC 3/6/2020 (JOHNSON)

*** S/B DARROW TRUST 3H-7-18, AND DARROW TRUST 1H-7-6; WILL BE CORRECTED AT
HEARING PER ATTORNEY FOR OPERATOR



S.H.L. Sec. 7-10N-5W I.M.
B.H.L. Sec. 18-10N-5W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: DARROW TRUST 3H-7-18
Footage: 2375' FSL - 2345' FWL Gr. Elevation: 1290'
Section: 7 Township: 10N Range: 5W I.M.
County: Canadian State of Oklahoma
Terrain at Loc.: Location fell in an open wheat field with timber to the E. and W.



GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc.:
Lat: 35°21'17.40"N
Lon: 97°46'11.61"W
Lat: 35.35483358
Lon: -97.76989030
X: 2037122
Y: 129249

Surface Hole Loc.:
Lat: 35°21'17.19"N
Lon: 97°46'10.45"W
Lat: 35.35477385
Lon: -97.76956936
X: 2068720
Y: 129224

Landing Point:
Lat: 35°21'17.17"N
Lon: 97°46'23.98"W
Lat: 35.35476843
Lon: -97.77332787
X: 2036097
Y: 129223

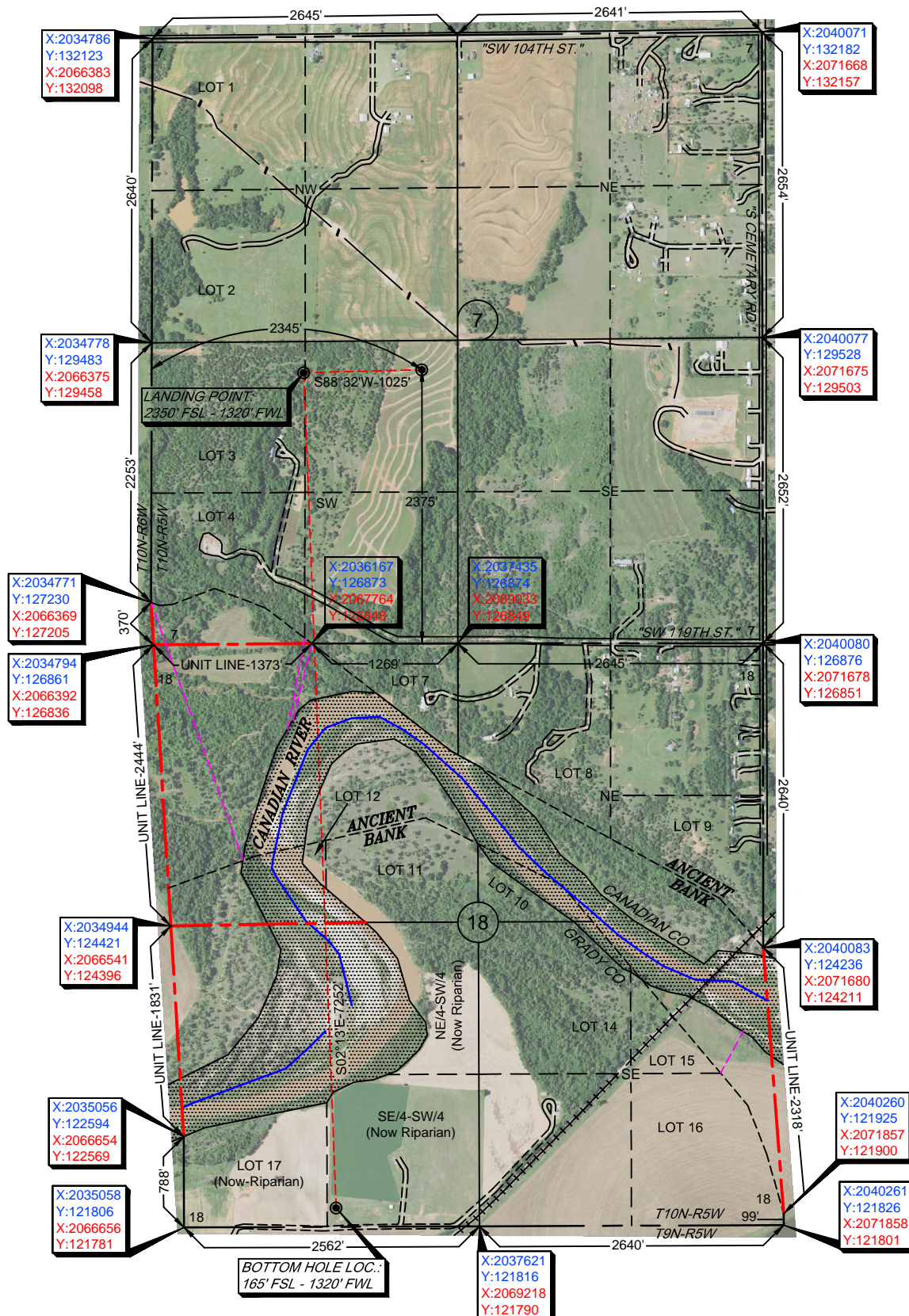
Landing Point:
Lat: 35°21'16.95"N
Lon: 97°46'22.82"W
Lat: 35.35470874
Lon: -97.77300684
X: 2067695
Y: 129198

Bottom Hole Loc.:
Lat: 35°20'05.49"N
Lon: 97°46'20.80"W
Lat: 35.33485837
Lon: -97.77244351
X: 2036378
Y: 121976

Bottom Hole Loc.:
Lat: 35°20'05.27"N
Lon: 97°46'19.64"W
Lat: 35.33479801
Lon: -97.77212266
X: 2067975
Y: 121951

-Please note that this location was stated on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Akoma 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 assumed at a proportionate distance from opposing section corners, or, occupied thereon, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.

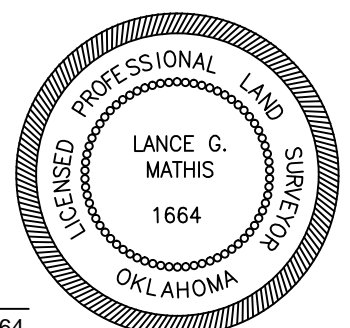


Survey and plat by:
Arkoma Surveying and Mapping, PLLC
 P.O. Box 238 Wilburton, OK 74578
 Ph. 918-465-5711 Fax 918-465-5030
 Certificate of Authorization No. 5348
 Expires June 30, 2020

Invoice #8956-B
Date Staked: 12/19/19 By: D.W.
Date Drawn: 12/26/19 By: J.H. & K.M.

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.

 12/30/19
LANCE G. MATHIS OK LPLS 1664





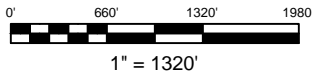
Well Location Plat

S.H.L. Sec. 7-10N-5W I.M.
B.H.L. Sec. 18-10N-5W I.M.

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County: Canadian State of Oklahoma
Terrain at Loc.: Location fell in an open wheat field with timber to the E. and W.



All bearings shown
are grid bearings.



GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc.:
Lat: 35°21'17.40"N
Lon: 97°46'11.61"W
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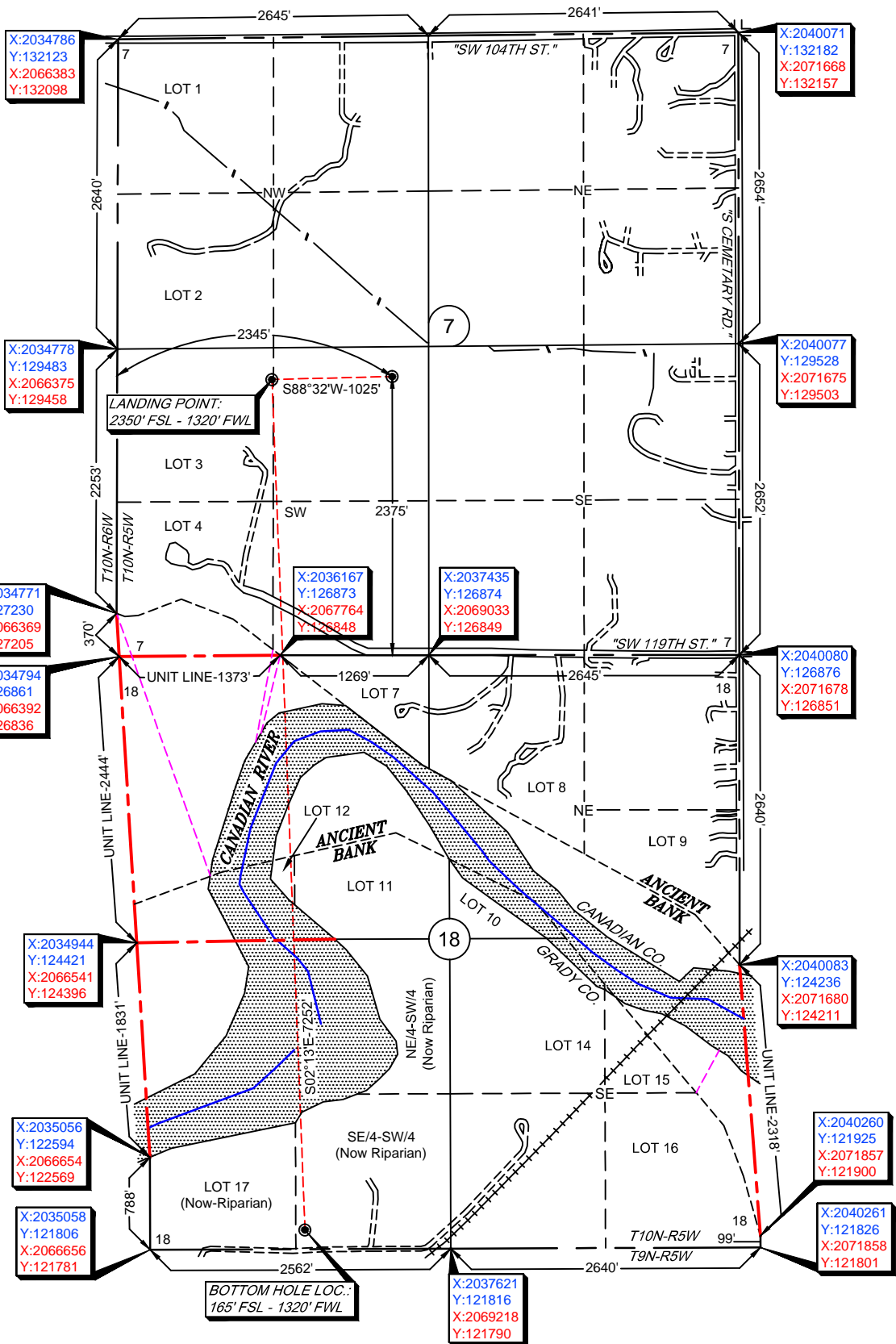
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Lon: -97.77332787
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X: 2067975
Y: 121951

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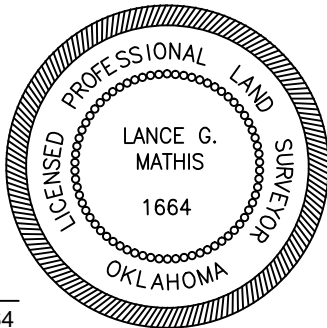


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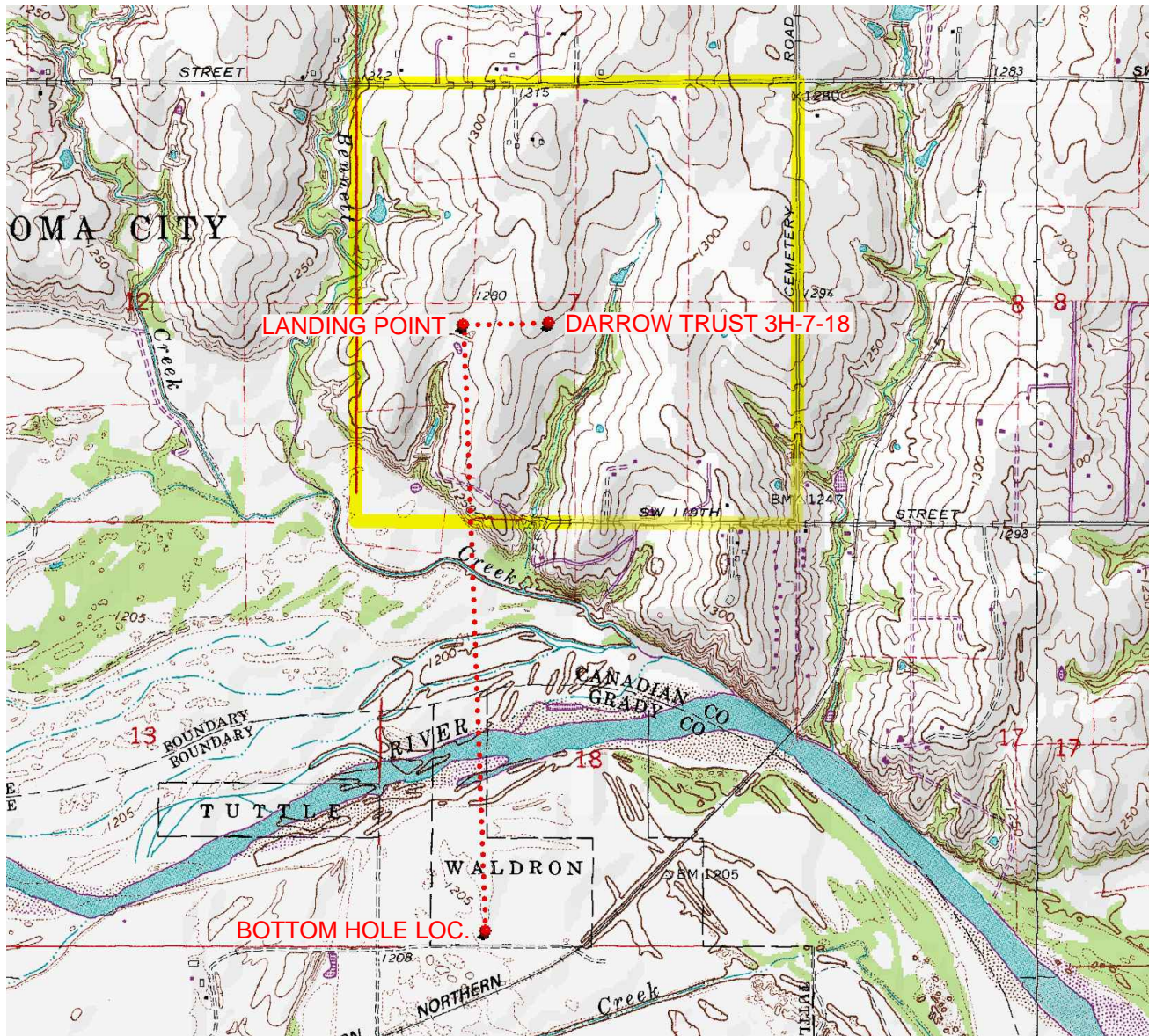
Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC
 Lease Name and No.: DARROW TRUST 3H-7-18
 Surface Hole Location: 2375' FSL - 2345' FWL
 Landing Point: 2350' FSL - 1320' FWL
 Sec. 7 Twp. 10N Rng. 5W I.M.
 Bottom Hole Location: 165' FSL - 1320' FWL
 Sec. 18 Twp. 10N Rng. 5W I.M.
 County: Canadian State of Oklahoma



Ground Elevation at Surface Hole Location: 1290'

Scale 1" = 2000'
 Contour Interval: 10'



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 Expires June 30, 2020

Date Staked: 12/19/19

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.



Anti-Collision

Sec. 7-10N-5W I.M.

CITIZENENERGY

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: DARROW TRUST 3H-7-18

Surface Hole Location: 2375' FSL - 2345' FWL

Landing Point: 2350' FSL - 1320' FWL

Sec. 7 Twp. 10N Rng. 5W I.M.

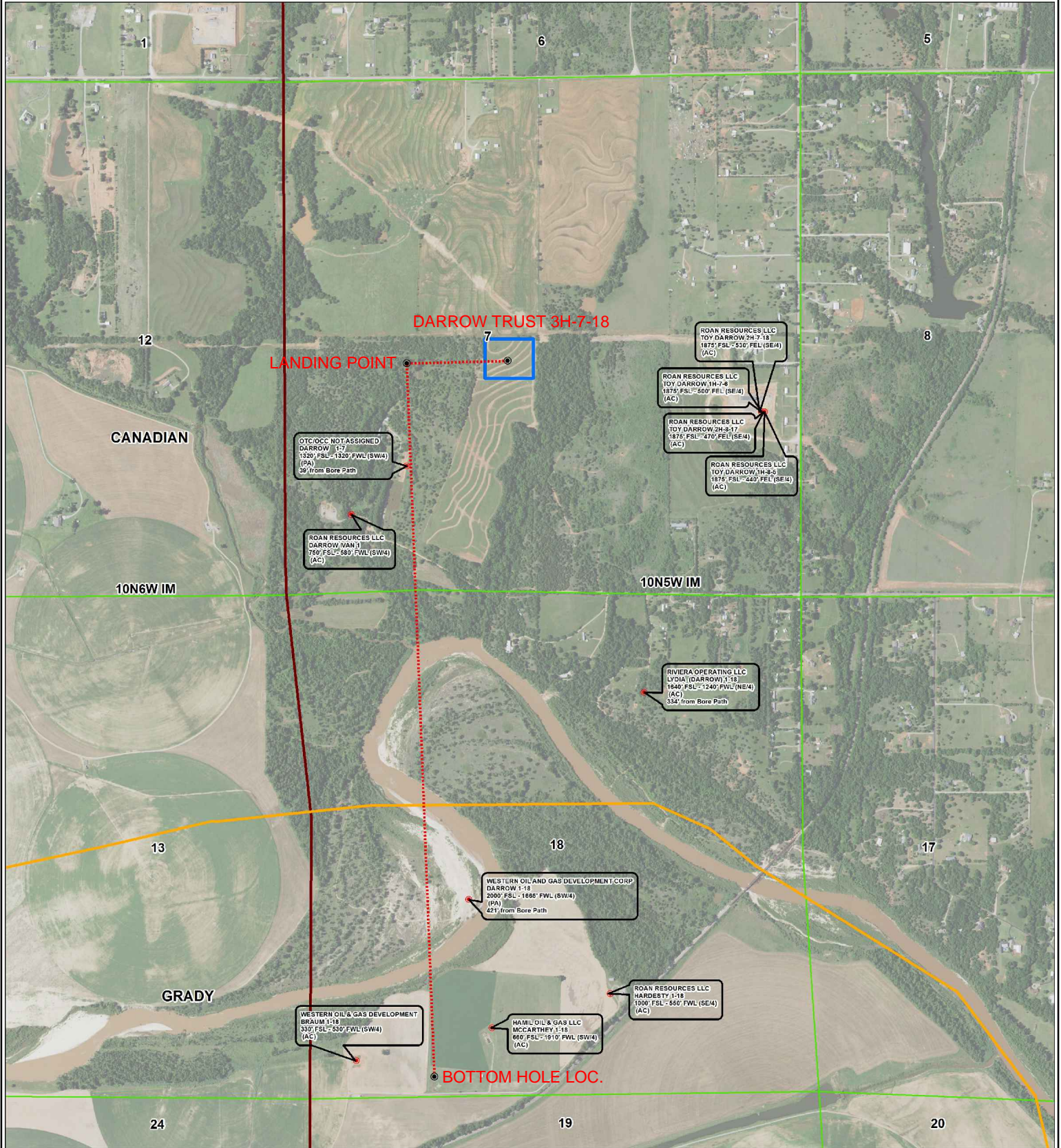
Bottom Hole Location: 165' FSL - 1320' FWL

Sec. 18 Twp. 10N Rng. 5W I.M.

County: Canadian State of Oklahoma



0 750 1,500
Feet



County Highway Vicinity Map

Job #:8956-B

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: DARROW TRUST 3H-7-18

Accessibility: From the North.

Directions: From the junction of State HWY 4 & State HWY 152 in the town of Mustang, OK, go 2.0 miles West on State HWY 152, 3.0 miles South on "S Clear Springs Rd/Cemetery Rd", then go 0.7 miles West on "SW 119th St" to the Southwest Quarter of Section 7-10N-5W on the North side of the road.



1 inch = 0.5 mile

provided by,
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