

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

API NUMBER: 017 25484

Approval Date: 06/14/2019
Expiration Date: 12/14/2020

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 12N Rge: 10W County: CANADIAN
SPOT LOCATION: NW NW NE NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 245 1371

Lease Name: JAMESON Well No: 1H-4 Well will be 245 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

GAYLYNN TEPE
26500 EDMOND ROAD NW
GEARY OK 73040

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

Name	Depth	Name	Depth
1 WOODFORD	13500	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 548859

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201902707

Special Orders:

Total Depth: 19000

Ground Elevation: 1384

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 180

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 8000 Average: 5000

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

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 19-36681

H. SEE MEMO

This permit does not address the right of entry or settlement of surface damages.

The duration of this permit is SIX 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.

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

HORIZONTAL HOLE 1

Sec 04 Twp 12N Rge 10W County CANADIAN

Spot Location of End Point: N2 N2 NE NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 1980

Depth of Deviation: 13133

Radius of Turn: 477

Direction: 5

Total Length: 5118

Measured Total Depth: 19000

True Vertical Depth: 13500

End Point Location from Lease,
Unit, or Property Line: 165

Additional Surface Owner	Address	City, State, Zip
LYNDON JAMESON	26500 EDMOND RD. NW	GEARY, OK 73040

Notes:

Category

Description

DEEP SURFACE CASING

6/10/2019 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

HYDRAULIC FRACTURING

6/10/2019 - G71 - 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

MEMO

6/10/2019 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

This permit does not address the right of entry or settlement of surface damages.

The duration of this permit is SIX 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.

Category	Description
PENDING CD - 201902707	6/14/2019 - G75 - (I.O.) 4-12N-10W X548859 WDFD COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FWL ** NO OP. NAMED REC 6-4-2019 (JOHNSON)
SPACING - 548859	** ITD HAS LATERAL DRILLED IN OPPOSITE DIRECTION; TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER OPERATOR 6/14/2019 - G75 - (640) 4-12N-10W VAC OTHER EXT OTHERS EST OTHERS EST WDFD, OTHERS

This permit does not address the right of entry or settlement of surface damages.
 The duration of this permit is SIX 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.



Well Location Plat

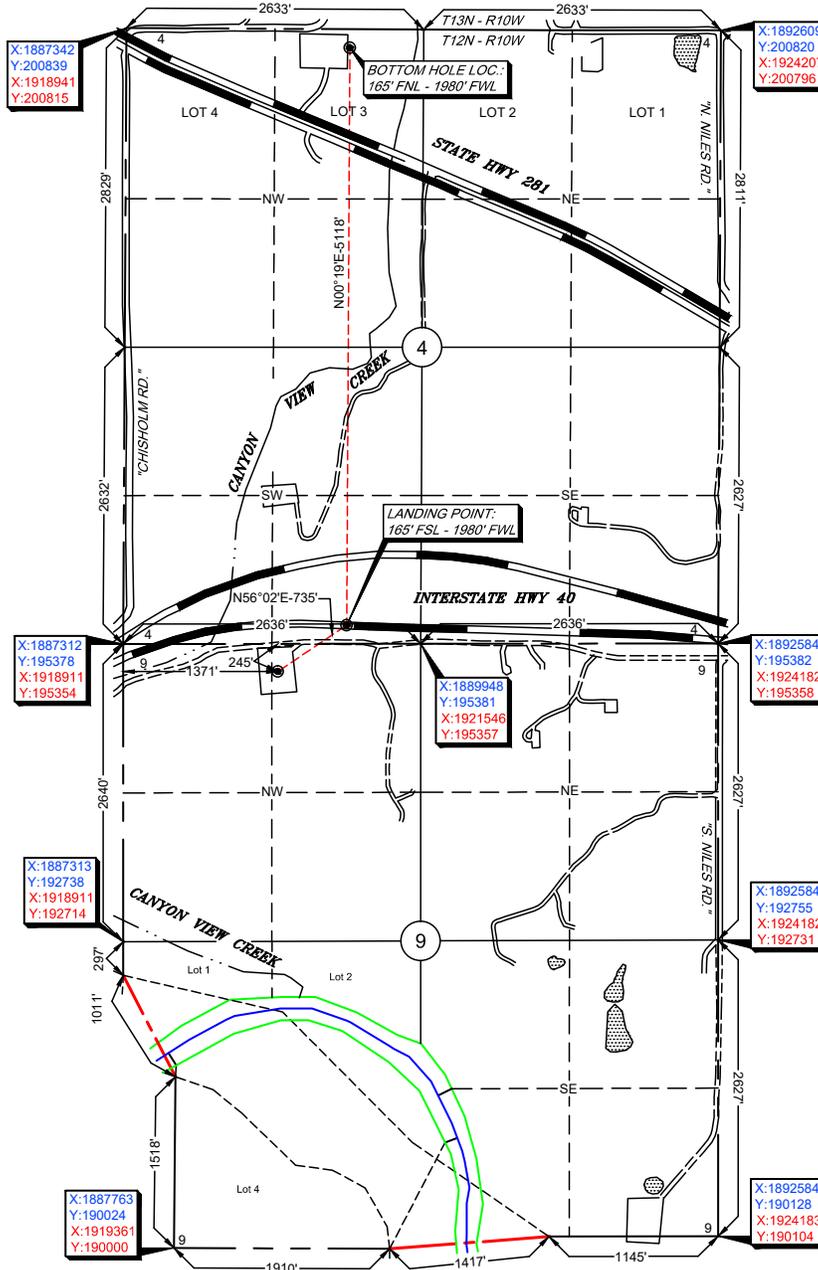
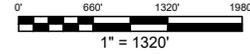
S.H.L. Sec. 9-12N-10W I.M.
B.H.L. Sec. 4-12N-10W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: JAMESON 1H-4
Footage: 245' FNL - 1371' FWL Gr. Elevation: 1384'
Section: 9 Township: 12N Range: 10W I.M.
County: Canadian State of Oklahoma
Terrain at Loc.: Location fell on existing pad, nothing but gravel on existing pad site.

API 017-25484



All bearings shown
are grid bearings.



GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc.:
Lat: 35°32'08.71"N
Lon: 98°16'05.72"W
Lat: 35.53575153
Lon: -98.26825655
X: 1888684
Y: 195134

Surface Hole Loc.:
Lat: 35°32'08.52"N
Lon: 98°16'04.51"W
Lat: 35.53570080
Lon: -98.26791965
X: 1920282
Y: 195110

Landing Point:
Lat: 35°32'12.78"N
Lon: 98°15'58.36"W
Lat: 35.53688443
Lon: -98.26621128
X: 1889293
Y: 195545

Landing Point:
Lat: 35°32'12.60"N
Lon: 98°15'57.15"W
Lat: 35.53683374
Lon: -98.26587442
X: 1920892
Y: 195521

Bottom Hole Loc.:
Lat: 35°33'03.40"N
Lon: 98°15'58.19"W
Lat: 35.55094509
Lon: -98.26616467
X: 1889321
Y: 200663

Bottom Hole Loc.:
Lat: 35°33'03.22"N
Lon: 98°15'56.98"W
Lat: 35.55089480
Lon: -98.26582749
X: 1920920
Y: 200639

-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

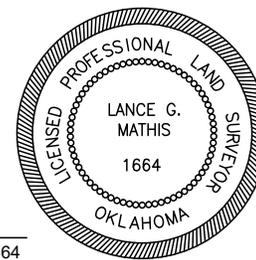
Certification:

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

06/06/19

OK LPLS 1664



Invoice #8694-B

Date Staked: 06/03/19 By: B.A.
Date Drawn: 06/06/19 By: M.K.