

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

API NUMBER: 017 25537

Approval Date: 10/01/2019

Expiration Date: 04/01/2021

Horizontal Hole
Multi Unit

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 11 Twp: 11N Rge: 9W

County: CANADIAN

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 356 1948

Lease Name: LATHAM

Well No: 2H-14-23

Well will be 356 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

BEVERLY JEAN FEUERBORN
25200 SAUSALITO LANE
PORTER TX 77365

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

Name	Depth	Name	Depth
1 WOODFORD	12800	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 686010
686011
702614

Location Exception Orders: 702615

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 23480

Ground Elevation: 1319

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 280

Deep surface casing has been approved

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

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

PERMIT NO: 19-36903

H. SEE MEMO

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.

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

HORIZONTAL HOLE 1

Sec 23 Twp 11N Rge 9W County CANADIAN

Spot Location of End Point: SW SW SW SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 2500

Depth of Deviation: 12418

Radius of Turn: 477

Direction: 185

Total Length: 10313

Measured Total Depth: 23480

True Vertical Depth: 12900

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

Additional Surface Owner	Address	City, State, Zip
BEVERLY JEAN FEUERBORN	25200 SAUSALITO LANE	PORTER, TX 77365
PATRICIA SUDERMAN	25200 SAUSALITO LANE	PORTER, TX 77365
DEBI KROEKER	25200 SAUSALITO LANE	PORTER, TX 77365
MICHAEL KROEKER	25200 SAUSALITO LANE	PORTER, TX 77365

Notes:

Category

Description

DEEP SURFACE CASING

9/11/2019 - G71 - 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

9/11/2019 - 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: 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

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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.

017 25537 LATHAM 2H-14-23

LOCATION EXCEPTION - 702615	9/24/2019 - GC3 - (E.O.) 14 & 23-11N-9W X686010 WDFD 14-11N-9W X686011 WDFD 23-11N-9W COMPL. INT. (14-11N-9W) NCT 165' FNL, NCT 0' FSL, NCT 660' FEL COMPL. INT. (23-11N-9W) NCT 0' FNL, NCT 165' FSL, NCT 660' FEL CITIZEN ENERGY III, LLC 9/20/2019
MEMO	9/11/2019 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - CANADIAN RIVER), PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 686010	9/24/2019 - GC3 - (640)(HOR) 14-11N-9W EXT 681928 WDFD, OTHERS COMPL INT (WDFD) NLT 165' FNL OR FSL, NLT 330' FEL OR FWL
SPACING - 686011	9/24/2019 - GC3 - (640)(HOR) 23-11N-9W EXT 681928 WDFD, OTHERS COMPL. INT. (WDFD) NLT 165' FNL OR FSL, NLT 330' FEL OR FWL
SPACING - 702614	9/24/2019 - GC3 - (E.O.) 14 & 23-11N-9W EST MULTIUNIT HORIZONTAL WELL X686010 WDFD 14-11N-9W X686011 WDFD 23-11N-9W 50% 14-11N-9W 50% 23-11N-9W CITIZEN ENERGY III, LLC 9/20/2019



Well Location Plat

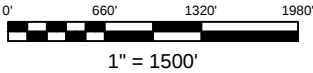
S.H.L. Sec. 11-11N-9W I.M.
B.H.L. Sec. 23-11N-9W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: LATHAM 2H-14-23
Footage: 356' FSL - 1948' FEL Gr. Elevation: 1319'
Section: 11 Township: 11N Range: 9W I.M.
County: Canadian State of Oklahoma
Terrain at Loc.: Location fell in an open, cultivated field.

API 017-25537



All bearings shown
are grid bearings.



GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc.:
Lat: 35°26'11.69"N
Lon: 98°07'14.36"W
Lat: 35.43658040
Lon: -98.12065618
X: 1932555
Y: 158947

Surface Hole Loc.:
Lat: 35°26'11.50"N
Lon: 98°07'13.17"W
Lat: 35.43652643
Lon: -98.12032555
X: 1964153
Y: 158923

Landing Point:
Lat: 35°26'06.52"N
Lon: 98°07'21.06"W
Lat: 35.43514320
Lon: -98.12251704
X: 1932000
Y: 158424

Landing Point:
Lat: 35°26'06.32"N
Lon: 98°07'19.87"W
Lat: 35.43508918
Lon: -98.12218638
X: 1963598
Y: 158400

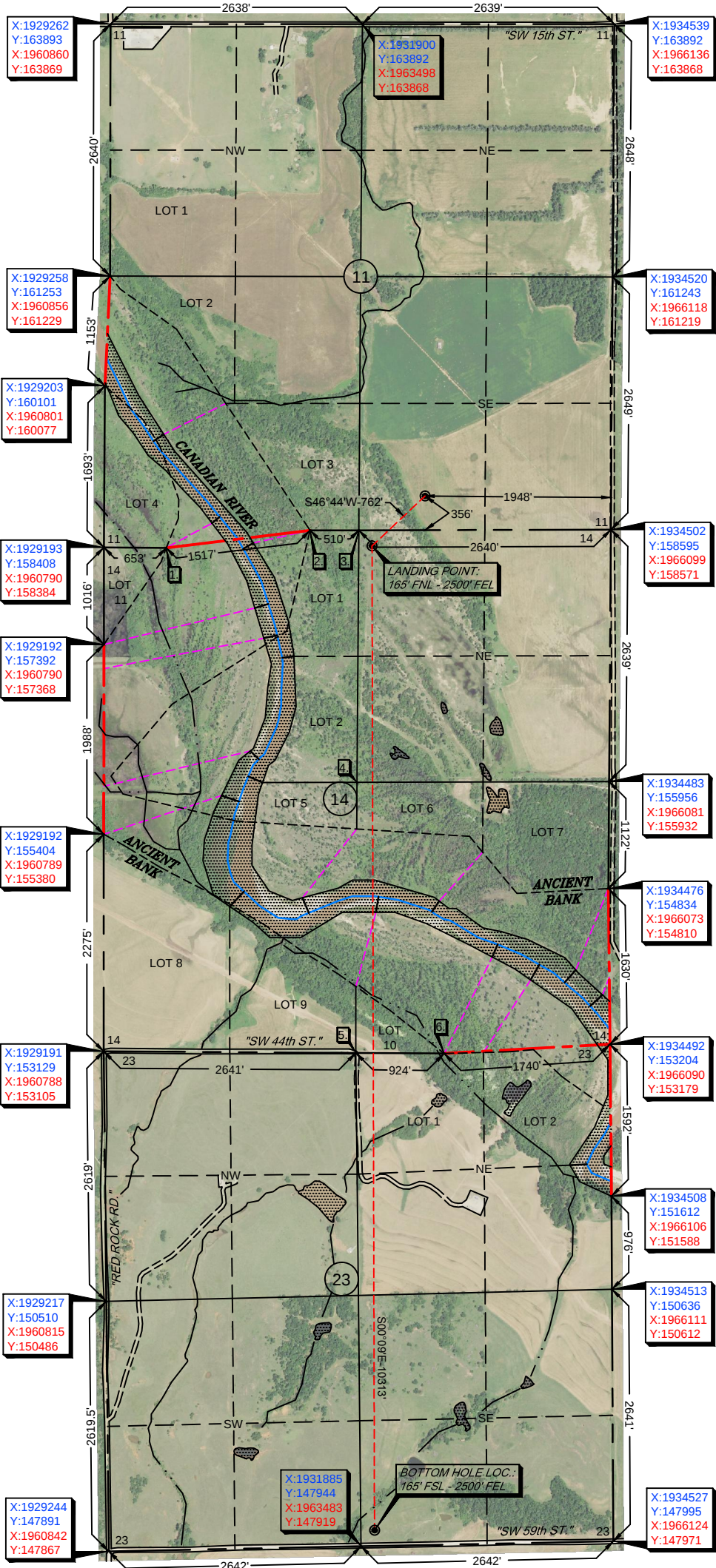
Bottom Hole Loc.:
Lat: 35°24'24.52"N
Lon: 98°07'20.59"W
Lat: 35.40681172
Lon: -98.12238741
X: 1932026
Y: 148111

Bottom Hole Loc.:
Lat: 35°24'24.32"N
Lon: 98°07'19.41"W
Lat: 35.40675683
Lon: -98.12205716
X: 1963624
Y: 148087

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 Arkansas 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.

INTERIOR SECTION/UNIT CORNERS

- X:1929846
Y:158404
X:1961444
Y:158380
- X:1931352
Y:158588
X:1962949
Y:158564
- X:1931862
Y:158589
X:1963459
Y:158565
- X:1931843
Y:153113
X:1963441
Y:155925
- X:1931831
Y:153113
X:1963429
Y:153088
- X:1932755
Y:153107
X:1964353
Y:153083



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

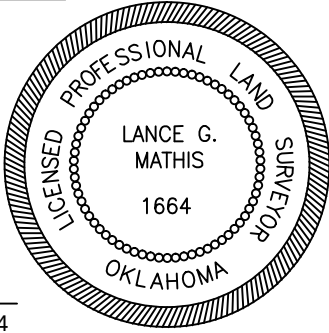
Certification:

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

08/19/19

OK LPLS 1664



Invoice #8789-B
Date Staked: 08/09/19 By: S.O.
Date Drawn: 08/12/19 By: K.M.
Rev. BHL: 08/16/19 By: C.K.



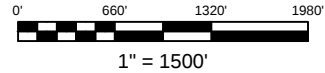
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B.H.L. Sec. 23-11N-9W I.M.

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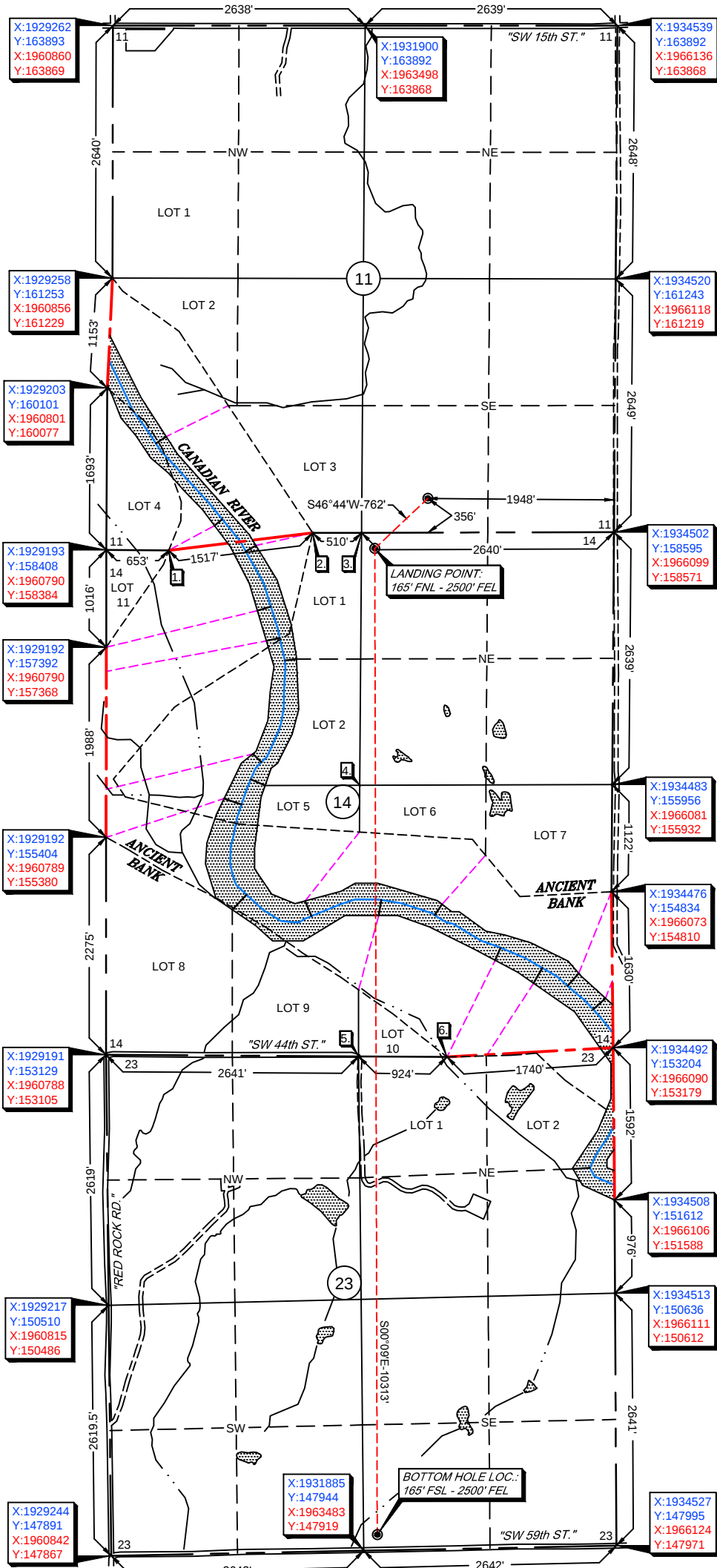
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2.	X:1931352 Y:158588 X:1962949 Y:158564
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4.	X:1931843 Y:153107 X:1963441 Y:155925
5.	X:1931831 Y:153113 X:1963429 Y:153088
6.	X:1932755 Y:153107 X:1964353 Y:153083

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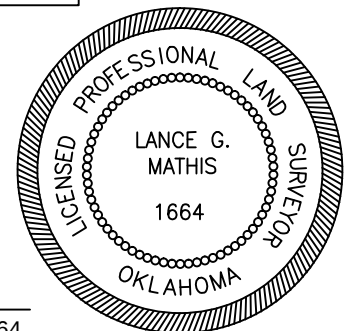
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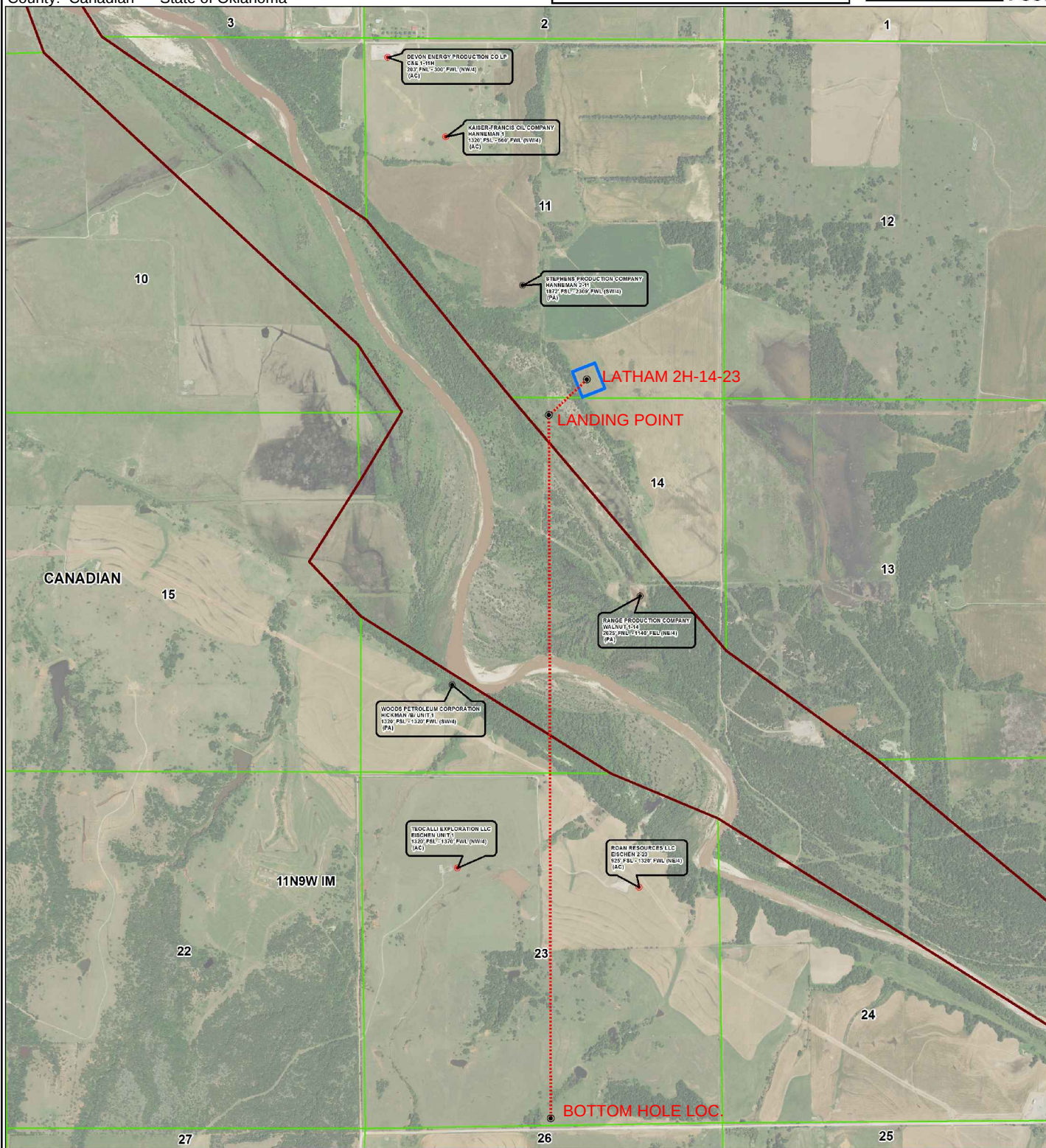
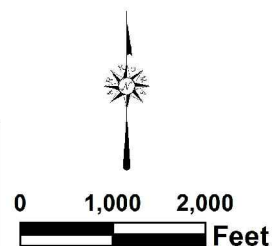
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Anti-Collision

Sec. 11-11N-9W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: LATHAM 2H-14-23
Surface Hole Location: 356' FSL - 1948' FEL
Sec. 11 Twp. 11N Rng. 9W I.M.
Landing Point: 165' FNL - 2500' FEL
Sec. 14 Twp. 11N Rng. 9W I.M.
Bottom Hole Location: 165' FSL - 2500' FEL
Sec. 23 Twp. 11N Rng. 9W I.M.
County: Canadian State of Oklahoma





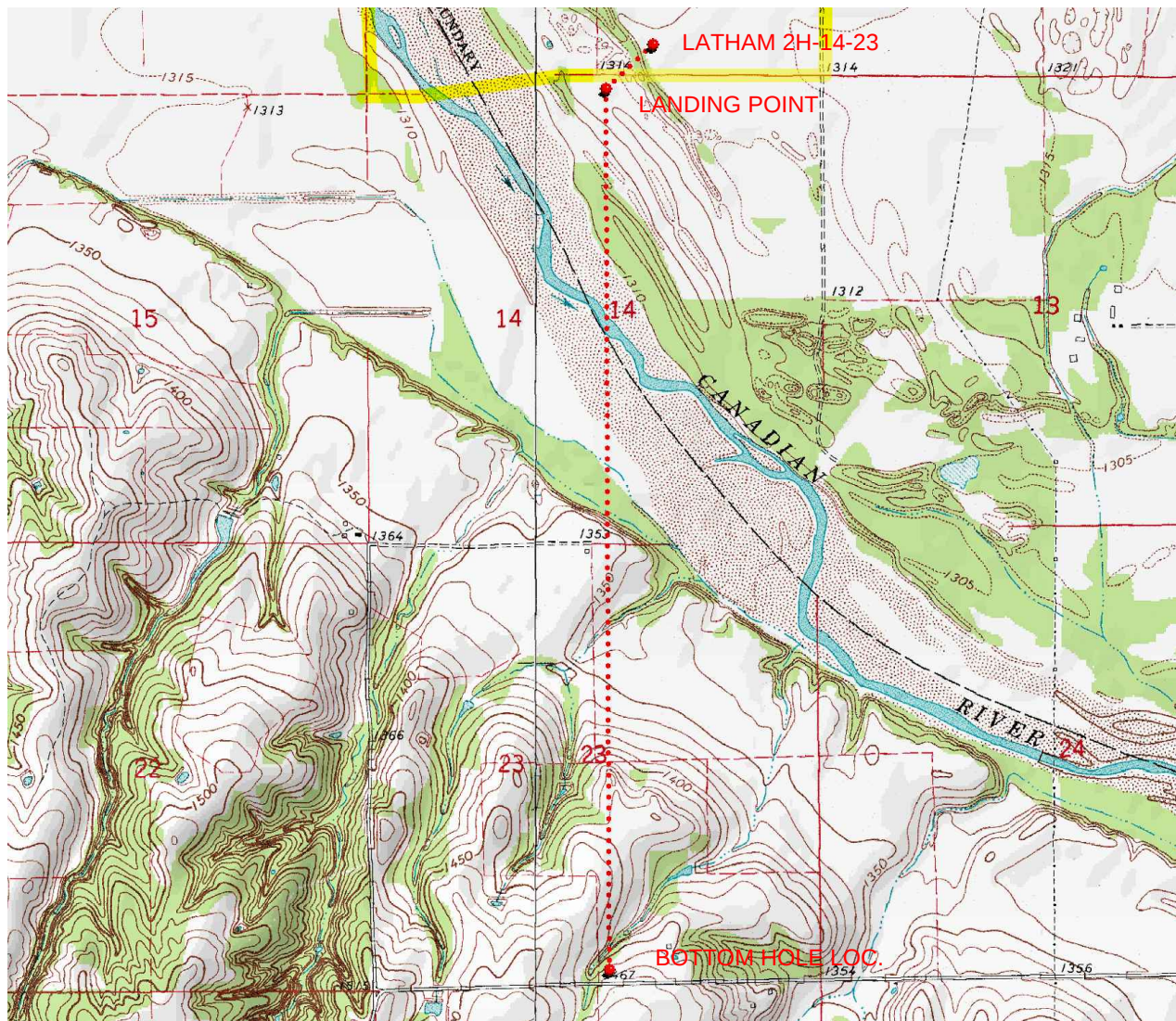
Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC
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Sec. 23 Twp. 11N Rng. 9W I.M.
County: Canadian State of Oklahoma



Scale 1" = 2000'
Contour Interval: 10'

Ground Elevation at Surface Hole Location: 1319'



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Certificate of Authorization No. 5348
Expires June 30, 2020

Date Staked: 08/09/19

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.

County Highway Vicinity Map

Job #: 8789-B

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: LATHAM 2H-14-23

Accessibility: From the South.

Directions: From the junction of State HWY 152 & State HWY 37 in the town of Cogar, OK, go 5.1 miles North on State HWY 37, 4.5 miles North on "S Ranch Rd", 2.0 miles East on "Reno Rd W", then go 1.5 miles South on "S Calumet Rd" to the Southeast Quarter of Section 11-11N-9W on the West side of the road.



1 inch = 1.25 mile

provided by,
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