

API NUMBER: 051 24764

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

Approval Date: 02/20/2020

Expiration Date: 08/20/2021

Horizontal Hole Oil & Gas

**PERMIT TO DRILL**

WELL LOCATION: Section: 31 Township: 10N Range: 7W County: GRADY

SPOT LOCATION: SE SE SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 245 215

Lease Name: AR-JO MCCOMAS Well No: 1H-31 Well will be 260 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

ARLENE E MCCOMAS REVOCABLE TRUST  
P.O. BOX 489  
MINCO OK 73059

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	12300

Spacing Orders: 669589  
681197

Location Exception Orders: 704765

Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 17576

Ground Elevation: 1295

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 310

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)  
H. SEE MEMO

PERMIT NO: 19-37159

**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.

**HORIZONTAL HOLE 1**

Section: 31	Township: 10N	Range: 7W	Total Length: 4953
County: GRADY			Measured Total Depth: 17576
Spot Location of End Point: NE	NE	NW	NE
Feet From: <b>NORTH</b>			1/4 Section Line: 165
Feet From: <b>EAST</b>			1/4 Section Line: 1570
End Point Location from			True Vertical Depth: 12350
Lease, Unit, or Property Line: 165			

**NOTES:**

Category	Description
DEEP SURFACE CASING	2/12/2020 - 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	2/12/2020 - 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: <a href="http://OCCEWEB.COM/OG/OGFORMS.HTML">OCCEWEB.COM/OG/OGFORMS.HTML</a> ; 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: <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a>
LOCATION EXCEPTION - 704765 (201802919)	2/20/2020 - GC2 - 31-10N-7W X669589 MSSP+++ SHL 250 FSL, 250' FEL 31-10N-7W*** COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FEL CITIZEN ENERGY III, LLC 11-5-2019  +++S/B 669589/681197; WILL BE CORRECTED AT FINAL HEARING FOR OPERATOR PER ATTORNEY  *** S/B 245' FSL, 215' FEL; WILL BE CORRECTED AT FINAL HEARING FOR OPERATOR PER ATTORNEY
MEMO	2/12/2020 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - BUGGY CREEK), PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 669589	2/20/2020 - GC2 - (640)(HOR) 31-10N-7W VAC OTHER VAC 98732 CSTR, MSSLM EST MSSP, OTHERS COMPL. INT. NLT 660' FB (COEXIST EXISTING NON-HORIZONTAL SPACING UNITS)
SPACING - 681197	2/20/2020 - GC2 - 31-10N-7W CONFIRM 669589 MSSP, OTHERS

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051 24764 AR-JO MCCOMAS 1H-31



# Well Location Plat

Sec. 31-10N-7W I.M.

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: AR-JO McCOMAS 1H-31

Footage: 245' FSL - 215' FEL Gr. Elevation: 1294'

API: 051-24764

Section: 31 Township: 10N Range: 7W I.M.

County: Grady State of Oklahoma

Terrain at Loc.: Location fell in a flat, cultivated field.



All bearings shown  
are grid bearings.



1" = 1000'

GPS DATUM

NAD 83

NAD 27

OK SOUTH ZONE

Surface Hole Loc.:  
Lat: 35°17'28.98"N  
Lon: 97°58'19.90"W  
Lat: 35.29138264  
Lon: -97.97219319  
X: 1976799  
Y: 712604

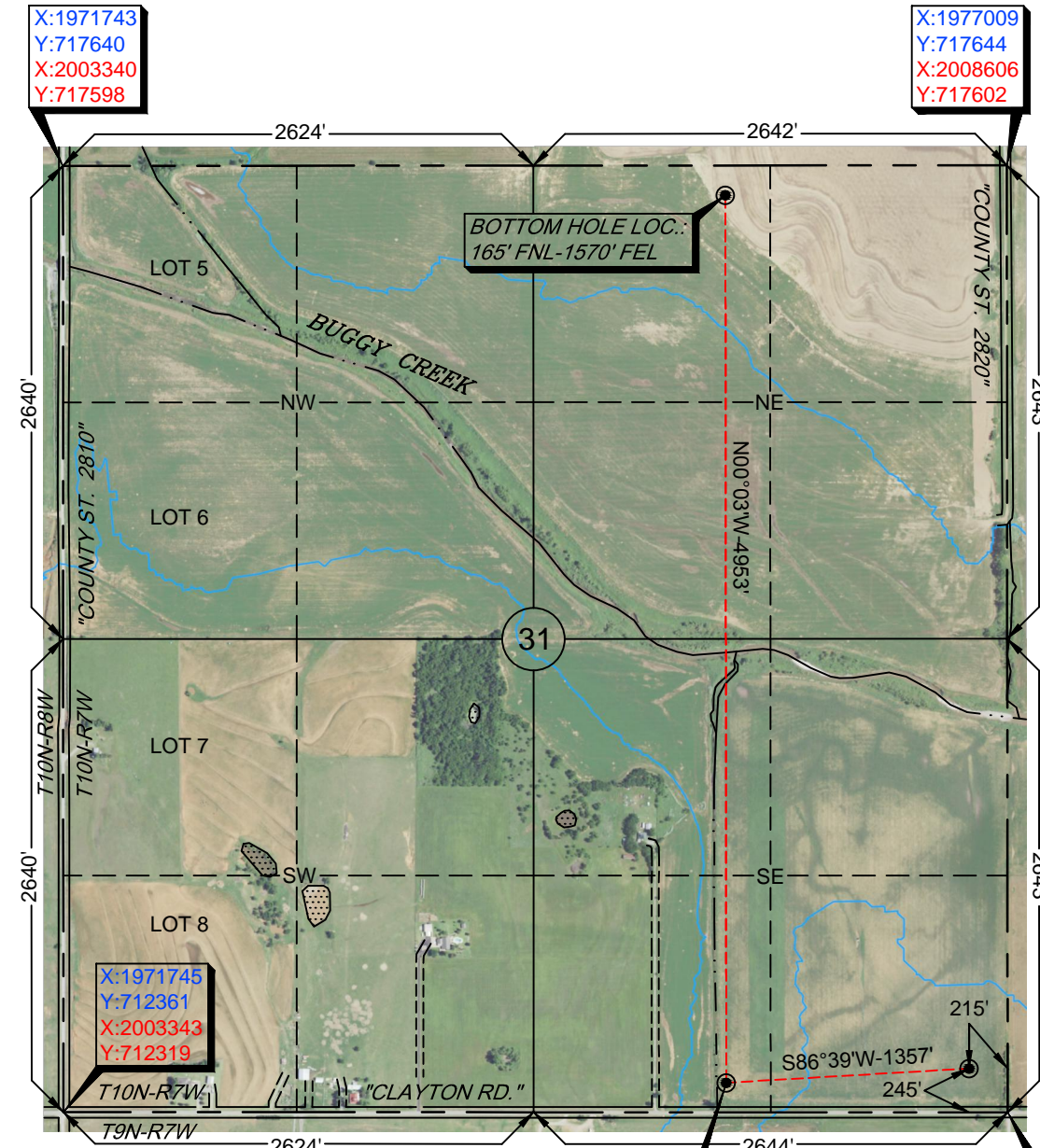
Surface Hole Loc.:  
Lat: 35°17'28.76"N  
Lon: 97°58'18.73"W  
Lat: 35.29132296  
Lon: -97.97186825  
X: 2008396  
Y: 712562

Landing Point:  
Lat: 35°17'28.19"N  
Lon: 97°58'36.24"W  
Lat: 35.29116526  
Lon: -97.97673330  
X: 1975444  
Y: 712524

Landing Point:  
Lat: 35°17'27.98"N  
Lon: 97°58'35.07"W  
Lat: 35.29110561  
Lon: -97.97640826  
X: 2007041  
Y: 712482

Bottom Hole Loc.:  
Lat: 35°18'17.18"N  
Lon: 97°58'36.28"W  
Lat: 35.30477292  
Lon: -97.97674408  
X: 1975439  
Y: 717477

Bottom Hole Loc.:  
Lat: 35°18'16.97"N  
Lon: 97°58'35.11"W  
Lat: 35.30471374  
Lon: -97.97641889  
X: 2007037  
Y: 717435



-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

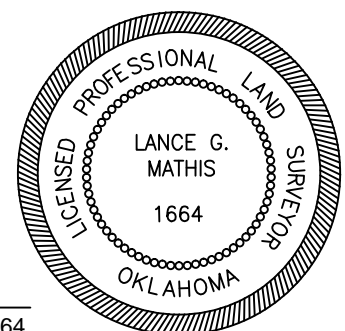
## Certification:

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*  
LANCE G. MATHIS

01/02/20

OK LPLS 1664



Invoice #8940-A

Date Staked: 12/27/19 By: B.A.

Date Drawn: 12/31/19 By: K.M.



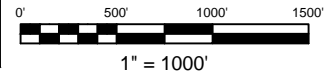
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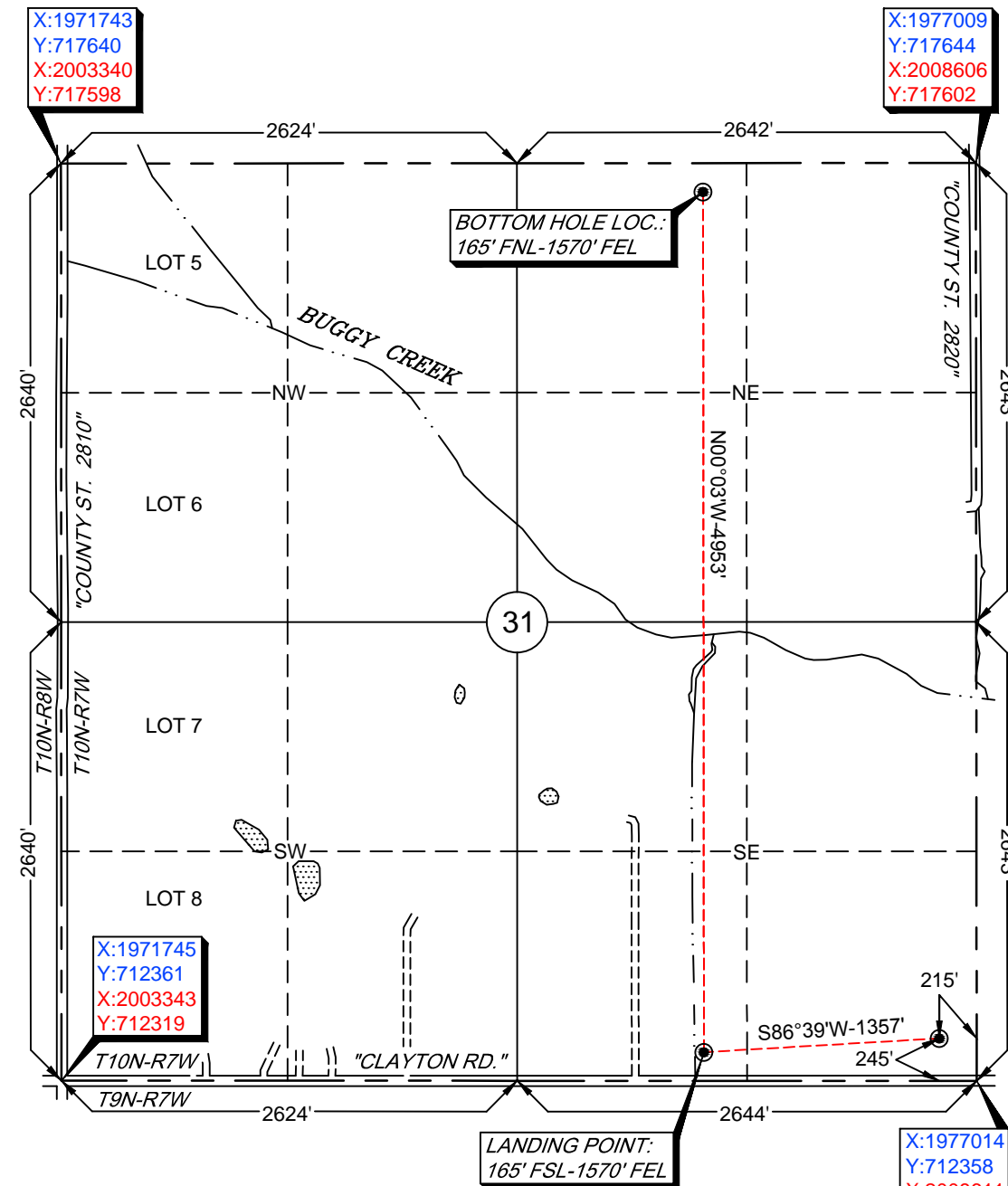
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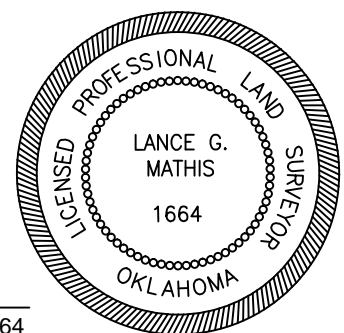
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LANCE G. MATHIS

01/02/20

OK LPLS 1664



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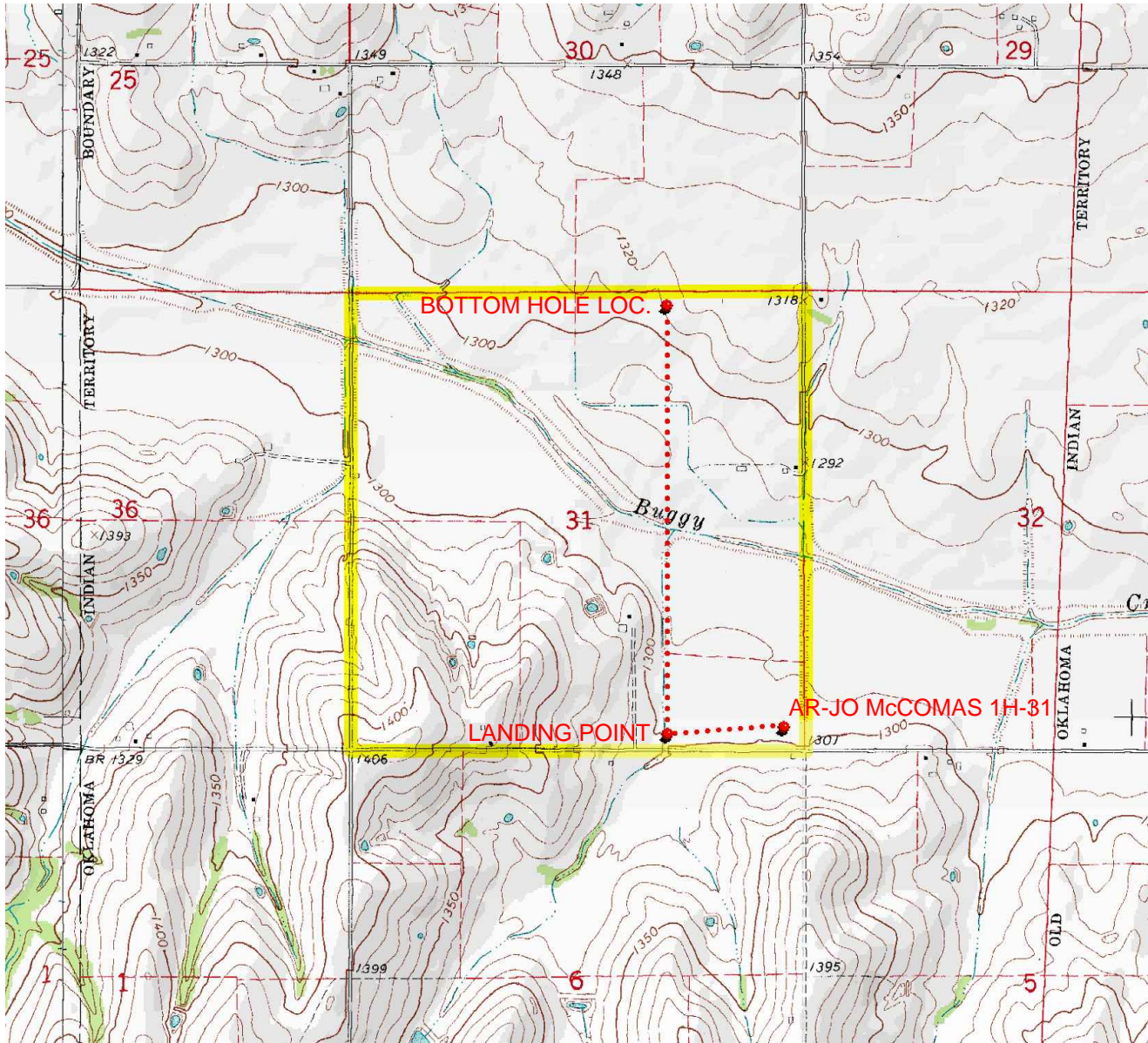
# Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC  
 Lease Name and No.: AR-JO McCOMAS 1H-31  
 Surface Hole Location: 245' FSL - 215' FEL  
 Landing Point: 165' FSL - 1570' FEL  
 Bottom Hole Location: 165' FNL - 1570' FEL  
 Sec. 31 Twp. 10N Rng. 7W I.M.  
 County: Grady State of Oklahoma



Ground Elevation at Surface Hole Location: 1294'

Scale 1" = 2000'  
 Contour Interval: 10'



Provided by:  
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 Expires June 30, 2020

Date Staked: 12/27/19

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 #:8940-A

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: AR-JO McCOMAS 1H-31

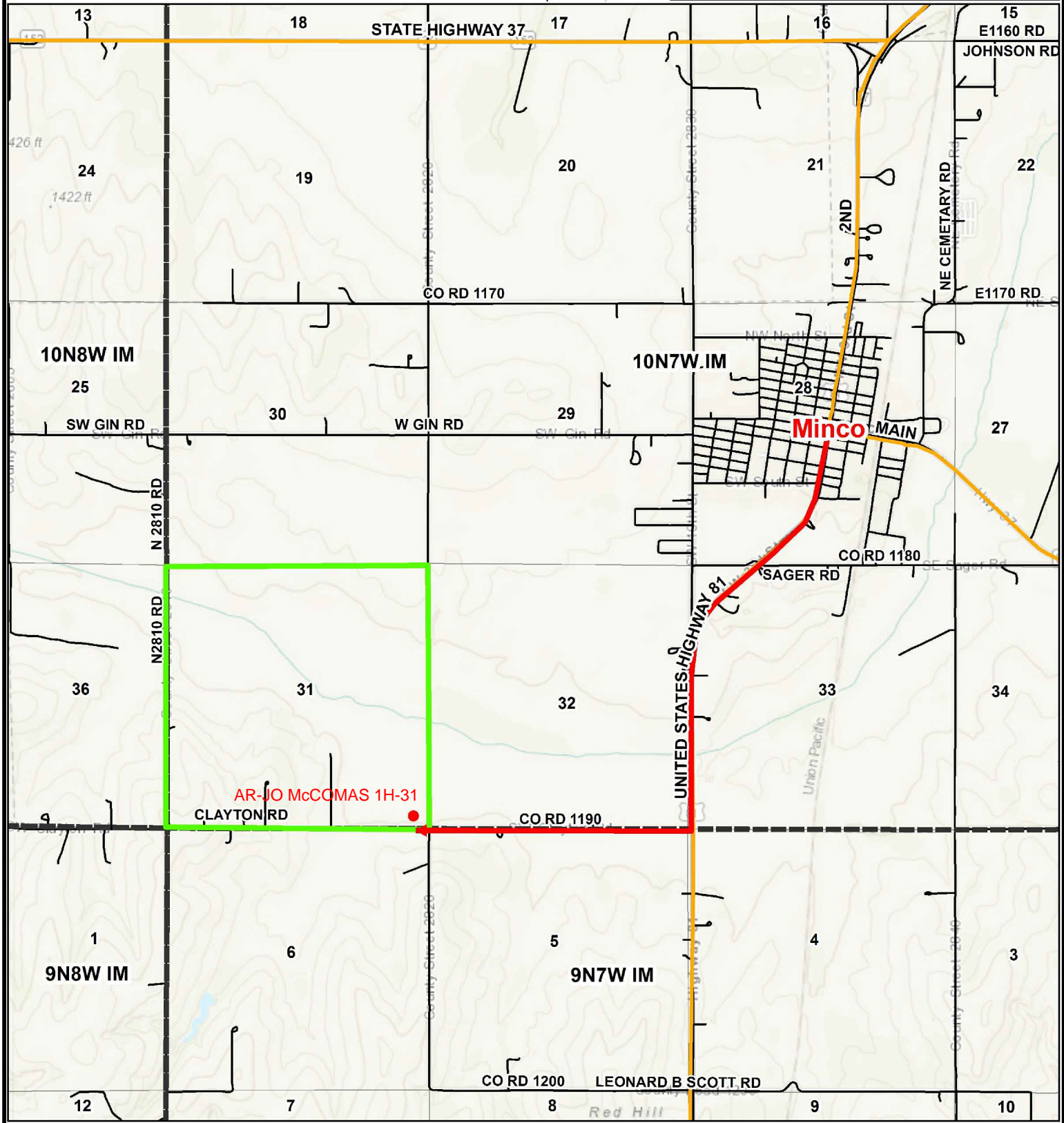
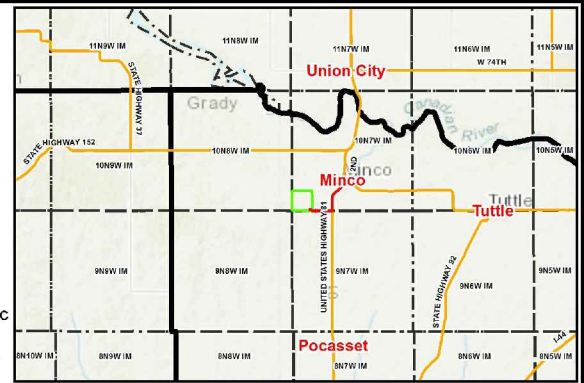
Accessibility: From the North.

Directions: From the junction of State HWY 37 & US HWY 81 in the town of Minco, OK, go 1.7 miles South on US HWY 81, then go 1.1 miles West on "Clayton Rd" to the Southeast Quarter of Section 31-10N-7W on the North side of the road.



1 inch = 0.5 mile

provided by,  
Arkoma Surveying and Mapping, PLLC  
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Ph. 918-465-5711 Fax 918-465-5030  
Certificate of Authorization No. 5348  
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# Anti-Collision

Sec. 31-10N-7W I.M.

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County: Grady State of Oklahoma

