

API NUMBER: 017 25638 A

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

Approval Date: 11/05/2020

Expiration Date: 05/05/2022

Multi Unit Oil & Gas

Amend reason: ADD FORMATIONS

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 33 Township: 11N Range: 7W County: CANADIAN

SPOT LOCATION: SW SE SW NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 2390 1690

Lease Name: DRIES Well No: 4H-33-4 Well will be 1690 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

DRIES FAMILY TRUST
321 S MAPLE AVE
UNION CITY OK 73090

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	10800
2	MISSISSIPPI LIME	351MSSLM	10960
3	WOODFORD	319WDFD	11100

Spacing Orders: 668456
671759
107705

Location Exception Orders: No Exceptions

Increased Density Orders: 721544
714872
721443

Pending CD Numbers: 202001572
202001571

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 19148 Ground Elevation: 1319

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 320

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: 20-37440

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: 4	Township: 10N	Range: 7W	Meridian: IM	Total Length: 7725
County: CANADIAN				Measured Total Depth: 19148
Spot Location of End Point: SW	SE	SE	SE	True Vertical Depth: 11150
Feet From: SOUTH	1/4 Section Line: 165			End Point Location from
Feet From: EAST	1/4 Section Line: 500			Lease, Unit, or Property Line: 165

NOTES:

Category	Description
DEEP SURFACE CASING	[10/22/2020 - 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	<p>[10/22/2020 - 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 - 714872	<p>11/3/2020 - G56 - 4-10N-7W X668456 WDFD 2 WELLS CITIZEN ENERGY III, LLC 10/14/2020</p>
INCREASED DENSITY - 721443	<p>[1/3/2022 - G56] - 4-10N-7W X107705 MSSLM 2 WELLS CITIZEN ENERGY III, LLC 11/1/2021</p>
INCREASED DENSITY - 721544	<p>[1/3/2022 - G56] - 33-11N-7W X671759 MSSP 3 WELLS CITIZEN ENERGY III, LLC 11/8/2021</p>
MEMO	[10/22/2020 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202001571	<p>[12/30/2021 - G56] - (I.O.) 33-11N-7W & 4-10N-7W EST MULTIUNIT HORIZONTAL WELL X671759 MSSP, WDFD 33-11N-7W X107705 MSSLM 4-10N-7W X668456 WDFD 4-10N-7W 49.3016% 33-11N-7W 50.6984% 4-10N-7W CITIZEN ENERGY III, LLC REC 11/8/2021 (MILLER)</p>

PENDING CD - 202001572	[12/30/2021 - G56] - (I.O.) 33-11N-7W & 4-10N-7W X671759 MSSP, WDFD 33-11N-7W X107705 MSSLM 4-10N-7W X668456 WDFD 4-10N-7W SHL 2390' FNL, 1690' FEL FIRST PERF (MSSP) 2501' FSL, 1515' FEL LAST PERF (MSSP) 0' FSL, 1465' FEL FIRST PERF (MSSLM) 0' FSL, 1465' FEL FAULT (4-10N-7W) 1888' FNL, 1705' FEL LAST PERF (MSSLM) 2087' FSL, 1648' FEL FIRST PERF (WDFD) 2087' FSL, 1648' FEL LAST PERF (WDFD) 1597' FSL, 1634' FEL CITIZEN ENERGY III, LLC REC 11/8/2021 (MILLER)
SPACING - 107705	[12/30/2021 - G56] - (640) 4-10N-7W EXT OTHERS CONFIRM 98732 MSSLM, OTHERS EXT 98732 MSSLM, OTHERS
SPACING - 668456	11/3/2020 - G56 - (640)(HOR) 4-10N-7W EST WDFD POE TO BHL NCT 165' FNL & FSL, NCT 330' FEL & FWL
SPACING - 671759	11/3/2020 - G56 - (640)(HOR) 33-11N-7W EST MSSP, WDFD POE TO BHL (MSSP) NCT 660' FB POE TO BHL (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL

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.