

API NUMBER: 017 25754 A

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

Approval Date: 01/03/2022
Expiration Date: 07/03/2023

Multi Unit Oil & Gas

Amend reason: CORRECT SHL

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 16 Township: 10N Range: 5W County: CANADIAN

SPOT LOCATION: SE SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 260 2176

Lease Name: NOWLIN Well No: 1H-16-9 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

BRAD NOWLIN
13401 S. MUSTANG RD
MUSTANG OK 73064

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

Name	Code	Depth
1 WOODFORD	319WDFD	9800

Spacing Orders: 651795 Location Exception Orders: 723120 Increased Density Orders: 722986
723120 723383

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 20100 Ground Elevation: 1197

Surface Casing: 1500

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: 21-38026
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 located in a Hydrologically Sensitive Area.

Category of Pit: C
Liner not required for Category: C
Pit Location is: ALLUVIAL
Pit Location Formation: ALLUVIUM

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits
Type of Mud System: OIL BASED
Chlorides Max: 300000 Average: 250000
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

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: 9	Township: 10N	Range: 5W	Meridian: IM	Total Length: 10224	
	County: CANADIAN			Measured Total Depth: 20100	
Spot Location of End Point: N2	N2	NW	NE	True Vertical Depth: 9800	
Feet From: NORTH		1/4 Section Line: 165		End Point Location from	
Feet From: EAST		1/4 Section Line: 1980		Lease, Unit, or Property Line: 165	

NOTES:

Category	Description
DEEP SURFACE CASING	[12/30/2021 - 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	[12/30/2021 - GC2] - OCC 165:10-3-10 REQUIRES: 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; 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, 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
INCREASED DENSITY - 722986	[8/17/2022/2022 - G56] - (I.O.) 16-10N-5W X651795 WDFD 2 WELLS CITIZEN ENERGY III, LLC 1/21/2022
INCREASED DENSITY - 723383	[8/17/2022 - G56] - (I.O.) 9-10N-5W X651795 WDFD 2 WELLS CITIZEN ENERGY III, LLC 2/8/2022
LOCATION EXCEPTION - 723032	[8/17/2022 - G56] - (I.O.) 9 & 16-10N-5W X651795 WDFD COMPL INT (16-10N-5W) NCT 165' FSL, NCT 0' FNL, NCT 1320' FEL COMPL INT (9-10N-5W) NCT 165' FNL, NCT 0' FSL, NCT 1320' FEL CITIZEN ENERGY III, LLC 1/25/2022
MEMO	[12/30/2021 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 651795	[1/3/2022 - G56] - (640)(HOR) 9 & 16-10N-5W VAC OTHERS EST WDFD, OTHER POE TO BHL NCT 165' FNL & FSL, NCT 330' FEL & FWL
SPACING - 723120	[8/17/2022 - G56] - (I.O.) 9 & 16-10N-5W EST MUTIUNIT HORIZONTAL WELL X651795 WDFD 50% 16-10N-5W 50% 9-10N-5W CITIZEN ENERGY III, LLC 1/28/2022

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.