

API NUMBER: 017 25751

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

Approval Date: 12/29/2021
Expiration Date: 06/29/2023

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 01 Township: 10N Range: 6W County: CANADIAN

SPOT LOCATION: ☐ NW ☐ SW ☐ SW ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 2244 2350

Lease Name: WALTHER Well No: 2H-1-36 Well will be 2244 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

GOLDIE ANN WALTHER REVOCABLE TRUST
14000 SW 89TH STREET
MUSTANG OK 73064

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

Name	Code	Depth
1 WOODFORD	319WDFD	9100

Spacing Orders: 666770 Location Exception Orders: 719444 Increased Density Orders: 719864
669273
719480

Pending CD Numbers: 202101054

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 16500 Ground Elevation: 1262

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 260

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: 21-38020
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: BED AQUIFER

Pit Location Formation: DUNCAN

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: BED AQUIFER

Pit Location Formation: DUNCAN

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: 36	Township: 11N	Range: 6W	Meridian: IM	Total Length: 7254
County: CANADIAN				Measured Total Depth: 16500
Spot Location of End Point: NW	NE	NE	NW	True Vertical Depth: 9100
Feet From: NORTH	1/4 Section Line: 165		End Point Location from	
Feet From: WEST	1/4 Section Line: 2062		Lease, Unit, or Property Line: 165	

NOTES:

Category	Description
DEEP SURFACE CASING	[12/21/2021 - 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	<p>[12/21/2021 - 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 6000NH 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 – 719864	<p>[12/29/2021 - GB6] - 1-10N-6W X669273 WDFD 4 WELLS CITIZEN ENERGY III, LLC 08/03/2021</p>
LOCATION EXCEPTION – 719444 (202101040)	<p>[12/29/2021 - GB6] - (I.O.) 1-10N-6W & 36-11N-6W X669273 WDFD 1-10N-6W X666770 WDFD 36-11N-6W COMPL. INT. (1-10N-6W) NCT 2640' FSL, NCT 0' FNL, NCT 1600' FWL COMPL. INT. (36-11N-6W) NCT 0' FSL, NCT 165' FNL, NCT 1600' FWL CITIZEN ENERGY III, LLC 07/14/2021</p>
MEMO	[12/21/2021 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD – 202101054	<p>[12/29/2021 - GB6] - (I.O.) 36-11N-6W X666770 WDFD 2 WELLS CITIZEN ENERGY III, LLC REC. 06/28/2021 (MOORE)</p>
SPACING – 666770	<p>[12/29/2021 - GB6] - (640)(HOR) 36-11N-6W EXT 655175 WDFD COMPL. INT. (WDFD) NLT 165' FNL, NLT 165' FSL, NLT 330' FWL, NLT 330' FEL (COEXIST 189474 WDFD)</p>
SPACING – 669273	<p>[12/29/2021 - GB6] - (640)(HOR) 1-10N-6W EST WDFD, OTHER COMPL. INT. (WDFD) NLT 165' FNL, NLT 165' FSL, NLT 330' FWL, NLT 330' FEL (COEXIST OTHER)</p>
SPACING – 719480 (202101039)	<p>[12/29/2021 - GB6] - (I.O.) 1-10N-6W & 36-11N-6W EST MULTIUNIT HORIZONTAL WELL X669273 WDFD 1-10N-6W X666770 WDFD 36-11N-6W 33% 1-10N-6W 67% 36-11N-6W CITIZEN ENERGY III, LLC 07/15/2021</p>

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.



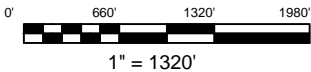
Well Location Plat

S.H.L. Sec. 1-10N-6W I.M.
B.H.L. Sec. 36-11N-6W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: WALTHER 2H-1-36
Surface Hole Location: 2244' FNL - 2350' FEL Gr. Elevation: 1262'
NW/4-SW/4-SW/4-NE/4 Section: 1 Township: 10N Range: 6W I.M.
Bottom Hole Location: 165' FNL - 2062' FWL
NW/4-NE/4-NE/4-NW/4 Section: 36 Township: 11N Range: 6W I.M.
County: Canadian State of Oklahoma
Terrain at Loc.: Location fell in open pasture with small terraces. Location slopes down toward Southwest.



All bearings shown are grid bearings.



GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc.:
Lat: 35°22'15.45"N
Lon: 97°47'08.14"W
Lat: 35.37095784
Lon: -97.78559468
X: 2032426
Y: 135108

Surface Hole Loc.:
Lat: 35°22'15.24"N
Lon: 97°47'06.98"W
Lat: 35.37089882
Lon: -97.78527324
X: 2064023
Y: 135083

Landing Point:
Lat: 35°22'16.40"N
Lon: 97°47'18.41"W
Lat: 35.37122252
Lon: -97.78844637
X: 2031576
Y: 135202

Landing Point:
Lat: 35°22'16.19"N
Lon: 97°47'17.25"W
Lat: 35.37116354
Lon: -97.78812486
X: 2063173
Y: 135177

Bottom Hole Loc.:
Lat: 35°23'28.14"N
Lon: 97°47'18.32"W
Lat: 35.39115068
Lon: -97.78842087
X: 2031567
Y: 142456

Bottom Hole Loc.:
Lat: 35°23'27.93"N
Lon: 97°47'17.16"W
Lat: 35.39109236
Lon: -97.78809920
X: 2063165
Y: 142431

X:2029505
Y:142635
X:2061103
Y:142611

X:2034799
Y:142599
X:2066397
Y:142574

X:2029507
Y:137353
X:2061105
Y:137328

X:2034769
Y:137351
X:2066366
Y:137326

X:2029522
Y:132127
X:2061120
Y:132102

X:2032152
Y:132125
X:2063749
Y:132100

X:2034786
Y:132123
X:2066383
Y:132098

-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, 2022

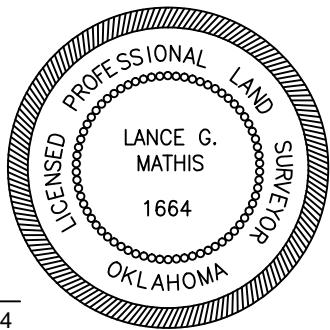
Certification:

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

12/13/2021

OK LPLS 1664



Invoice #9364-A-B
Date Staked: N/A By: N/A
Date Drawn: 12/07/2021 By: J.L.



Well Location Plat

S.H.L. Sec. 1-10N-6W I.M.
B.H.L. Sec. 36-11N-6W I.M.

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: WALTHER 2H-1-36

Surface Hole Location: 2244' FNL - 2350' FEL Gr. Elevation: 1262'

NW/4-SW/4-SW/4-NE/4 Section: 1 Township: 10N Range: 6W I.M.

Bottom Hole Location: 165' FNL - 2062' FWL

NW/4-NE/4-NE/4-NW/4 Section: 36 Township: 11N Range: 6W I.M.

County: Canadian State of Oklahoma

Terrain at Loc.: Location fell in open pasture with small terraces. Location slopes down toward Southwest.



All bearings shown
are grid bearings.



1" = 1320'

GPS DATUM

NAD 83

NAD 27

OK NORTH ZONE

Surface Hole Loc.:
Lat: 35°22'15.45"N
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Lat: 35.37095784
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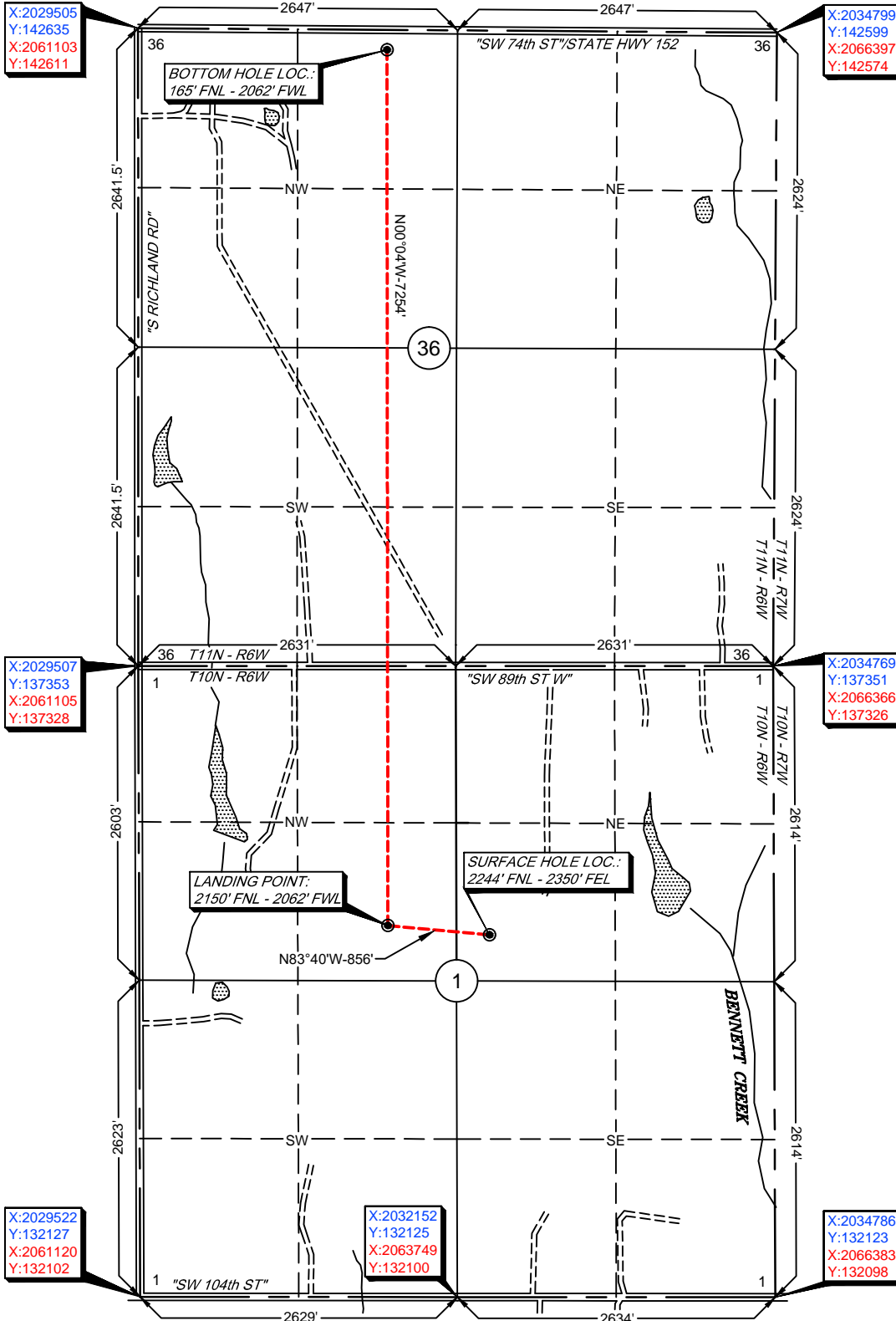
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Lon: -97.78809920
X: 2063165
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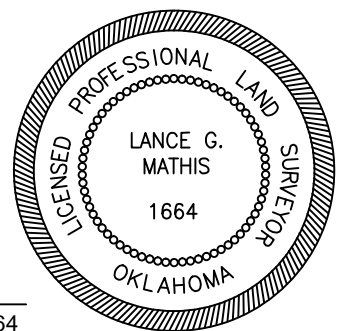
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LANCE G. MATHIS

12/13/2021

OK LPLS 1664



Invoice #9364-A-B

Date Staked: N/A By: N/A

Date Drawn: 12/07/2021 By: J.L.



Anti-Collision

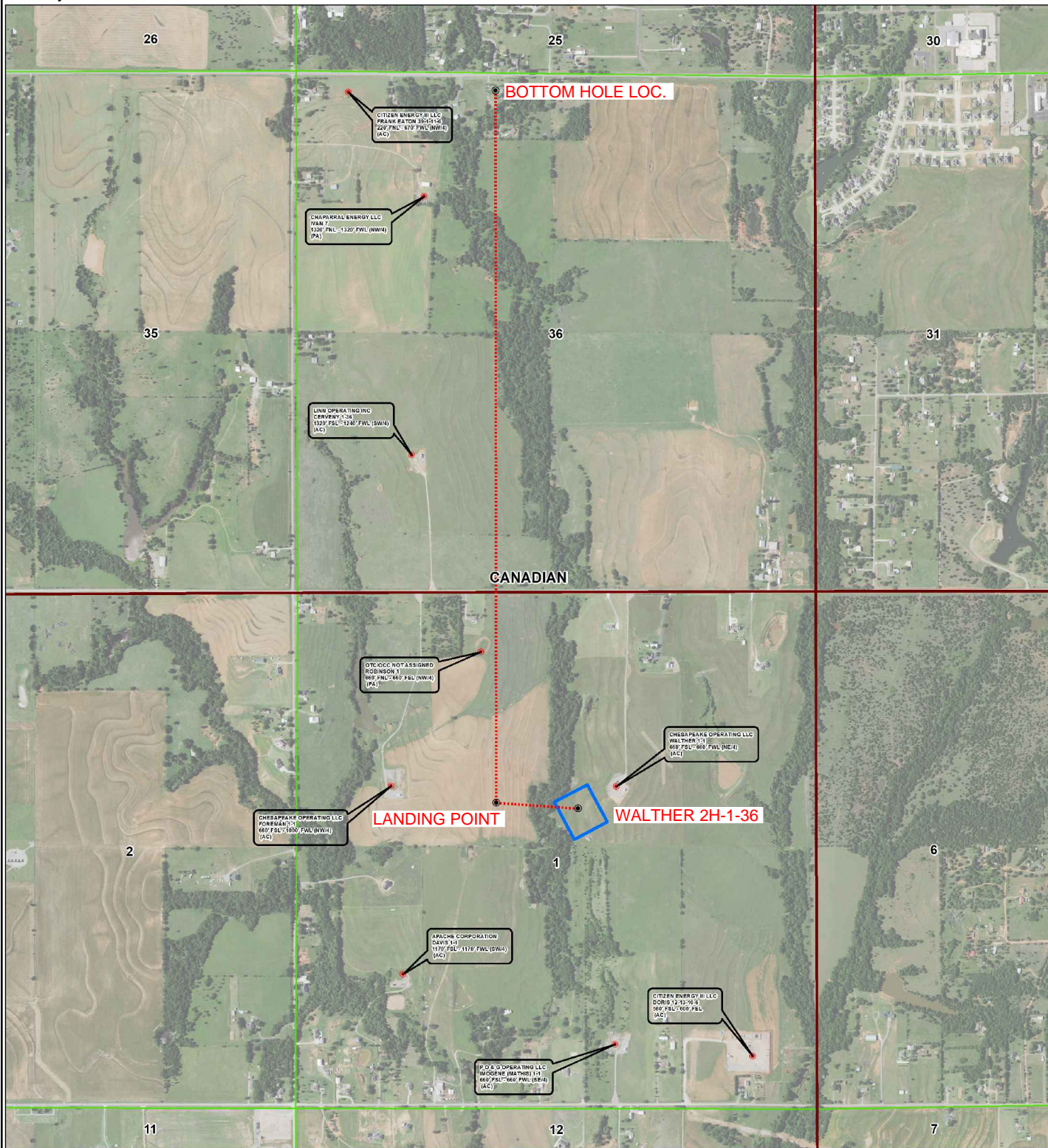
Secs. 1-10N-6W I.M.
& 36-11N-6W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: WALTHER 2H-1-36
Surface Hole Location: 2244' FNL - 2350' FEL
Landing Point: 2150' FNL - 2062' FWL
Sec. 1 Township: 10N Range: 6W I.M.
Bottom Hole Location: 165' FNL - 2062' FWL
Sec. 36 Township: 11N Range: 6W I.M.
County: Canadian State of Oklahoma

- SHL
- LP & BHL
- Bore Path
- Pad
- OCC Wells
- Counties
- Township-Range
- Sections



0 700 1,400
Feet





Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: WALTHER 2H-1-36

Surface Hole Location: 2244' FNL - 2350' FEL

Landing Point: 2150' FNL - 2062' FWL

Sec. 1 Township: 10N Range: 6W I.M.

Bottom Hole Location: 165' FNL - 2062' FWL

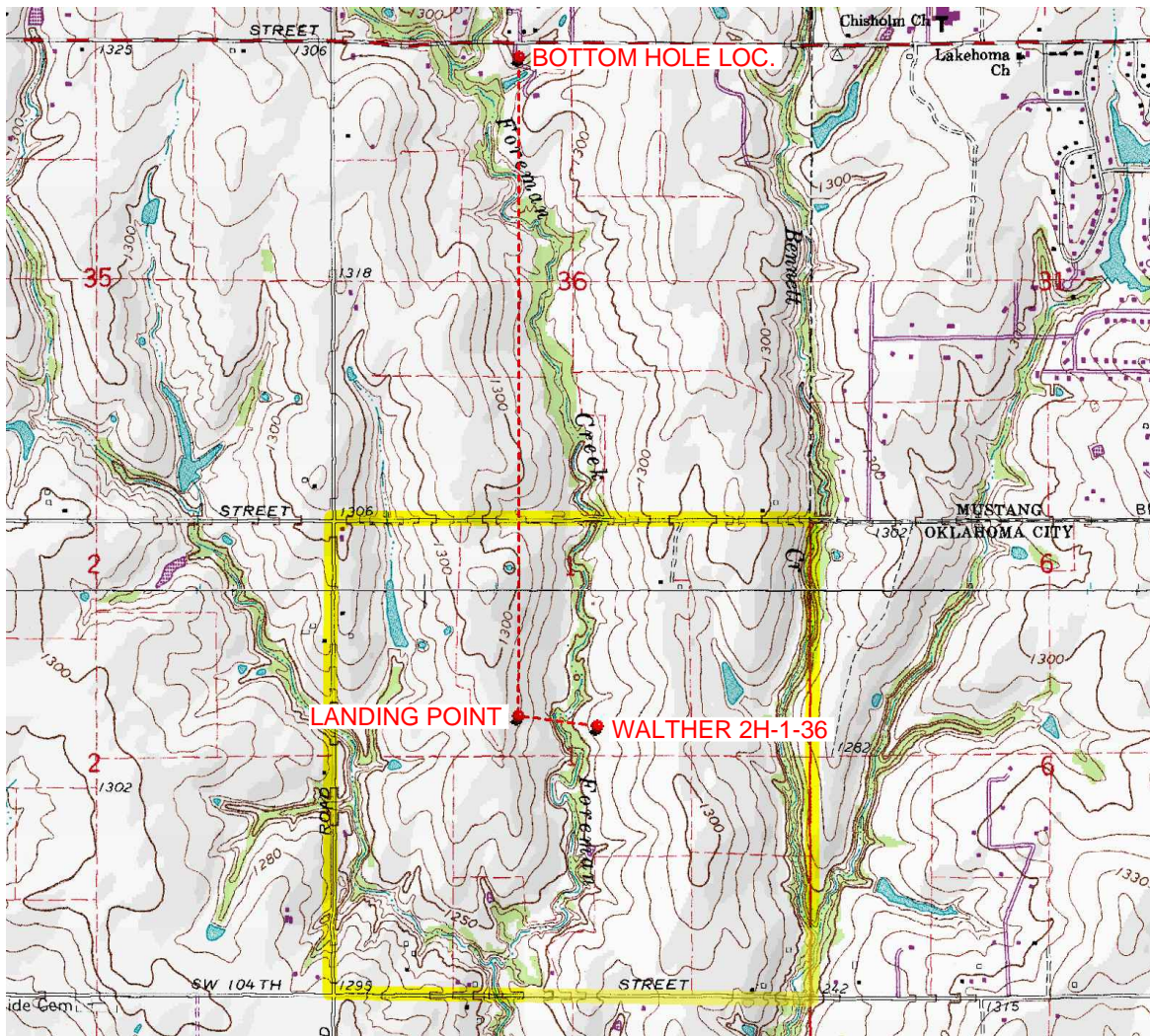
Sec. 36 Township: 11N Range: 6W I.M.

County: Canadian State of Oklahoma

Ground Elevation at Surface Hole Location: 1262'



Scale 1" = 2000'
Contour Interval: 10'



Provided 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, 2022

Date Staked: 04/21/2021

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 #: 9364-A-B

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: WALTHER 2H-1-36

Accessibility: From the North.

Directions: From the junction of "S. Mustang Rd." & Highway 152 in Mustang, OK, go 1.0 miles South on "S. Mustang Rd.", then 3.3 miles West on "SW 89th St." to the entrance of an existing lease road.

1 inch = 0.75 mile

provided by,
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