

API NUMBER: 017 25537 A

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

Approval Date: 10/01/2019

Expiration Date: 04/01/2021

Multi Unit Oil & Gas

Amend reason: CHANGE SHL; ADD MISSISSIPPIAN
FORMATION; UPDATE ORDERS**AMEND PERMIT TO DRILL**

WELL LOCATION: Section: 11 Township: 11N Range: 9W County: CANADIAN

SPOT LOCATION: ☐ NW ☐ SE ☐ SW ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 373 1907

Lease Name: LATHAM Well No: 2H-14-23 Well will be 373 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 74103-3729BEVERLY JEAN FEUERBORN
25200 SAUSALITO LANE
PORTER TX 77365

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	11600
2	WOODFORD	319WDFD	12800

Spacing Orders: 686010
686011

Location Exception Orders: No Exceptions

Increased Density Orders: No Density Orders

Pending CD Numbers: 201904290
201904291
202001673
202001689

Working interest owners' notified: ***

Special Orders: No 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

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 19-36903

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: 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

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: 23	Township: 11N	Range: 9W	Meridian: IM	Total Length: 10313	
	County: CANADIAN			Measured Total Depth: 23480	
Spot Location of End Point: SW	SW	SW	SE	True Vertical Depth: 12900	
Feet From: SOUTH		1/4 Section Line: 165		End Point Location from	
Feet From: EAST		1/4 Section Line: 2500		Lease, Unit, or Property Line: 165	

Additional Surface Owner(s)	Address	City, State, Zip
BEVERLY JEAN FEUERBORN	25200 SAUSALITO LANE	PORTER, TX 77365
BEVERLY JEAN FEUERBORN	25200 SAUSALITO LANE	PORTER, TX 77365
BEVERLY JEAN FEUERBORN	25200 SAUSALITO LANE	PORTER, TX 77365
BEVERLY JEAN FEUERBORN	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: OCCEWEB.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
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
PENDING CD - 201904290	11/2/2020 - GB1 - (I.O.) 14 & 23-11N-9W EST MULTIUNIT HORIZONTAL WELL X686010 MSSP, WDFD 14-11N-9W X686011 MSSP, WDFD 23-11N-9W (MSSP ADJACENT COMMON SOURCE OF SUPPLY TO WDFD) 51.2245% 14-11N-9W 498.7755% 23-11N-9W*** CITIZEN ENERGY III, LLC REC. 10/26/2020 (MOORE) *** S/B 48.7755%; WILL BE CORRECTED PER ATTORNEY FOR OPERATOR ON FINAL ORDER
PENDING CD - 201904291	11/2/2020 - GB1 - (I.O.) 14 & 23-11N-9W X686010 MSSP, WDFD 14-11N-9W X686011 MSSP, WDFD 23-11N-9W SHL (11-11N-9W) 373' FSL, 1907' FEL FIRST PERF MSSP (14-11N-9W) 168' FNL, 2451' FEL LAST PERF MSSP (14-11N-9W) 310' FNL, 2458' FEL FIRST PERF WDFD (14-11N-9W) 310' FNL, 2458' FEL LAST PERF WDFD (14-11N-9W) 0' FSL, 2461' FEL FIRST PERF WDFD (23-11N-9W) 0' FNL, 2461' FEL LAST PERF WDFD (23-11N-9W) 887' FNL, 2489' FEL FIRST PERF MSSP (23-11N-9W) 887' FNL, 2489' FEL LAST PERF MSSP (23-11N-9W) 903' FSL, 2560' FEL FIRST PERF WDFD (23-11N-9W) 903' FSL, 2560' FEL LAST PERF WDFD (23-11N-9W) 237' FSL, 2526' FEL CITIZEN ENERGY III, LLC REC 10/26/2020 (MOORE)

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.

PENDING CD - 202001673	11/2/2020 - GB1 - 14-11N-9W X686010 MSSP 1 WELL CITIZEN ENERGY III, LLC REC 10/26/2020 (MOORE)
PENDING CD - 202001689	11/2/2020 - GB1 - 23-11N-9W X686011 MSSP 1 WELL CITIZEN ENERGY III, LLC REC 10/26/2020 (MOORE)
SPACING - 686010	11/2/2020 - GB1 - (640)(HOR) 14-11N-9W EXT 681928 MSSP, WDFD, OTHER COMPL INT (MSSP, OTHER) NLT 660' FB COMPL INT (WDFD) NLT 165' FNL OR FSL, NLT 330' FEL OR FWL
SPACING - 686011	11/2/2020 - GB1 - (640)(HOR) 23-11N-9W EXT 681928 MSSP, WDFD, OTHER COMPL INT (MSSP, OTHER) NLT 660' FB COMPL. INT. (WDFD) NLT 165' FNL OR FSL, NLT 330' FEL OR 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.