

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

API NUMBER: 137 27323

Approval Date: 09/15/2014
Expiration Date: 03/15/2015

Directional Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 04 Twp: 2S Rge: 4W County: STEPHENS
SPOT LOCATION: SE NW SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 745 665

Lease Name: BULL HEADED Well No: 4-3 Well will be 665 feet from nearest unit or lease boundary.
Operator Name: CITATION OIL & GAS CORPORATION Telephone: 2818911000 OTC/OCC Number: 14156 0

CITATION OIL & GAS CORPORATION
PO BOX 690688
HOUSTON, TX 77269-0688

ALLEN & CATHY FIRESTONE
P O BOX 155
VELMA OK 73491

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

	Name	Depth	Name	Depth
1	WOODFORD	4720	6	
2	HUNTON	5020	7	
3	VIOLA	5920	8	
4	SIMPSON	7090	9	
5			10	

Spacing Orders: 619217

Location Exception Orders:

Increased Density Orders: 627443

Pending CD Numbers: 201404807

Special Orders:

Total Depth: 8925

Ground Elevation: 1092

Surface Casing: 1710

Depth to base of Treatable Water-Bearing FM: 360

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 1500 Average: 1000

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: GARBER

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 14-28367

DIRECTIONAL HOLE 1

Sec 04 Twp 2S Rge 4W County STEPHENS

Spot Location of End Point: SE NW SE SE

Feet From: SOUTH 1/4 Section Line: 807

Feet From: EAST 1/4 Section Line: 737

Measured Total Depth: 8925

True Vertical Depth: 8900

End Point Location from Lease,

Unit, or Property Line: 0

Notes:

This permit does not address the right of entry or settlement of surface damages.
The duration of this permit is SIX 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.

Category	Description
DEEP SURFACE CASING	9/9/2014 - G71 - APPROVED CONTINGENT ON NOTIFYING OCC FIELD STAFF IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
FRAC FOCUS	9/9/2014 - G71 - THE REQUIREMENT FOR CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS WILL BE EXTENDED TO INCLUDE ALL NON-HORIZONTAL WELLS FOR HYDRAULIC FRACTURING OPERATIONS BEGINNING JANUARY 1, 2014. REFER TO OCC RULE 165:10-3-10 FOR COMPLIANCE REQUIREMENTS. PLEASE REPORT DIRECTLY TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM
INCREASED DENSITY - 627443	9/15/2014 - G72 - 4-2S-4W X619217 HNTN, VIOL 2 WELLS ITATION OIL & GAS CORP. 7-3-2014
PENDING CD - 201404807	9/15/2014 - G72 - 04-02S-04W (I.O.) X 619217 WDFD, HNTN, VIOL, SMPS; SHL NCT 645 FSL NCT 565 FEL; NCT 707 FSL NCT 637 FEL; NO OPER NAMED; REC 8/11/2014 (NORRIS)
SPACING - 619217/629007	9/15/2014 - G72 - (640) 4-2S-4W EST WDFD, HNTN, VIOL, SMPS *** NEED TO VAC SP. ORDER # 33685 OCKO; 629907 NPT VAC 33685 OCKO

This permit does not address the right of entry or settlement of surface damages.
The duration of this permit is SIX 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.