

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

API NUMBER: 039 22541

Approval Date: 06/11/2018
Expiration Date: 12/11/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 34 Twp: 14N Rge: 15W County: CUSTER
SPOT LOCATION: NE NE NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 225 260

Lease Name: HAMPTON Well No: 1H-34-3 Well will be 225 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

DELORES C. SCHOONMAKER
9445 N. 2360 ROAD
WEATHERFORD OK 73096

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	15500	6	
2	WOODFORD	16300	7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201803363
201803364

Special Orders:

Total Depth: 26800 Ground Elevation: 1725 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 480

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 8000 Average: 5000

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: RUSH SPRINGS

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34544
H. SEE MEMO

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.

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: RUSH SPRINGS

HORIZONTAL HOLE 1

Sec 03 Twp 13N Rge 15W County CUSTER

Spot Location of End Point: S2 SE SE SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 330

Depth of Deviation: 15820

Radius of Turn: 480

Direction: 181

Total Length: 10226

Measured Total Depth: 26800

True Vertical Depth: 16300

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Category

Description

DEEP SURFACE CASING

5/18/2018 - 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

5/18/2018 - 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

5/18/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201803363

5/23/2018 - G58 - (1280)(HOR) 34-14N-15W & 3-13N-15W
VAC 122614/170633 MSSP
EST MSSP, WDFD
COMPL. INT. (MSSP) NCT 660' FB
COMPL. INT (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL
REC 6/11/2018 (DUNN)

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

PENDING CD - 201803364

Description

5/23/2018 - G58 - (I.O.) 34-14N-15W & 3-13N-15W
X201803363 MSSP, WDFD
SHL 260' FSL, 375' FEL OF 27-14N-15W**
COMPL. INT. (34-14N-15W) NCT 165' FNL, NCT 0' FSL, NCT 330' FEL
COMPL. INT. (3-13N-15W) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL
NO OP. NAMED
REC 6/11/2018 (DUNN)

**TO BE CORRECTED AT HEARING PER OP.

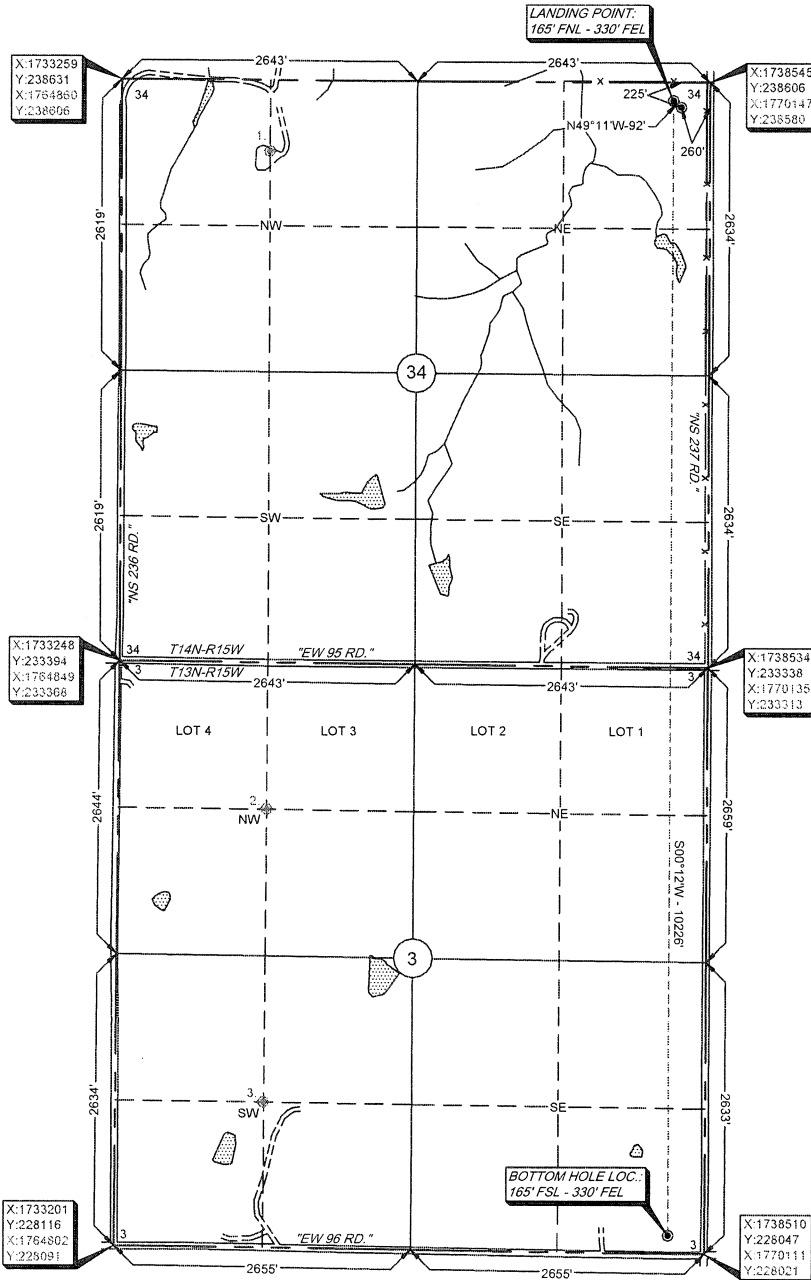
This permit does not address the right of entry or settlement of surface damages.
The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.
Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District
Office of the Conservation Division as to when Surface Casing will be run.



Well Location Plat

S.H.L. Sec. 34-14N-15W I.M.
B.H.L. Sec. 3-13N-15W I.M.

Operator: CITIZEN ENERGY, LLC
Lease Name and No.: HAMPTON 1H-34-3
Footage: 225' FNL - 260' FEL Gr. Elevation: 1725' 039-22541
Section: 34 Township: 14N Range: 15W I.M.
County: Custer State of Oklahoma
Terrain at Loc.: Location fell in a sloping pasture, with scattered timber. The Southwest corner of pad falls on existing pipeline.



GPS DATUM	
NAD 83	
NAD 27	
OK NORTH ZONE	
Surface Hole Loc.:	Lat: 35°39'08.42"N
	Lon: 98°46'29.57"W
	Lat: 35.65233896
	Lon: -98.77488055
	X: 1738285
	Y: 238382
Surface Hole Loc.:	Lat: 35°39'08.24"N
	Lon: 98°46'28.28"W
	Lat: 35.65229876
	Lon: -98.77452116
	X: 1769886
	Y: 238357
Landing Point	Lat: 35°39'09.01"N
	Lon: 98°46'30.42"W
	Lat: 35.65250316
	Lon: -98.77511734
	X: 1738215
	Y: 238442
Landing Point	Lat: 35°39'08.83"N
	Lon: 98°46'29.13"W
	Lat: 35.65245296
	Lon: -98.77475792
	X: 1769816
	Y: 238417
Bottom Hole Loc.:	Lat: 35°37'27.87"N
	Lon: 98°46'29.85"W
	Lat: 35.62440961
	Lon: -98.77495774
	X: 1738181
	Y: 228216
Bottom Hole Loc.:	Lat: 35°37'27.69"N
	Lon: 98°46'28.56"W
	Lat: 35.62435699
	Lon: -98.77459936
	X: 1769782
	Y: 228191

-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, 2018

Invoice #7698-A
Date Staked: 05/03/18 By: C.K.
Date Drawn: 05/05/18 By: K.B.
Added LP & BHL: 05/07/18 By: J.K.
Revised Lease Name: 05/15/18 By: R.S.

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 05/15/18
LANCE G. MATHIS OK LPLS 1664

