

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

API NUMBER: 017 25763

Approval Date: 01/12/2022
Expiration Date: 07/12/2023

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 03 Township: 11N Range: 10W County: CANADIAN

SPOT LOCATION: SE SW SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 253 1909

Lease Name: **MCBEE** Well No: **1H-10-15** Well will be **253** 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

CHARLES AND DOROTHY MCBEE
11700 MAPLE ROAD
HINTON OK 73047

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	14000

Spacing Orders: **No Spacing** Location Exception Orders: **No Exceptions** Increased Density Orders: **No Density**

Pending CD Numbers: 202001549 Working interest owners' notified: *** Special Orders: **No Special**
202001550

Total Depth: 21000 Ground Elevation: 1537 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 320

Deep surface casing has been approved

Approved Method for disposal of Drilling Fluids:
D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 21-37991
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: MARLOW

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: BED AQUIFER
Pit Location Formation: MARLOW

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: 15	Township: 11N	Range: 10W	Meridian: IM	Total Length: 7110
	County: CANADIAN			Measured Total Depth: 21000
Spot Location of End Point:	C	SW	NW	True Vertical Depth: 14000
Feet From: NORTH		1/4 Section Line: 1980		End Point Location from
Feet From: WEST		1/4 Section Line: 660		Lease, Unit, or Property Line: 660

NOTES:

Category	Description
DEEP SURFACE CASING	[11/23/2021 - 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	[11/23/2021 - 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
MEMO	[11/23/2021 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202001549	[12/8/2021 - GB6] - (E.O.)(960)(HOR) 10 & N2 15 -11N-10W EST MSSP, OTHER COMPL. INT. (MSSP) NCT 660' FB REC. 01/07/2022 (MILLER)* *CAUSE WAS ORIGINALLY HEARD AND RECOMMENDED 09/28/2020 (MILLER) BUT ORDER NEVER ISSUED. NO PROTESTS OR OTHER ACTIONS FILED AS OF 01/12/2022.
PENDING CD - 202001550	[12/8/2021 - GB6] - (E.O.) 10 & N2 15 -11N-10W X202001549 MSSP COMPL. INT. (10-11N-10W) NCT 165' FNL, NCT 0' FSL, NCT 330' FEL COMPL. INT. (N2 15-11N-10W) NCT 0' FNL, NCT 165' FSL, NCT 330' FEL CITIZEN ENERGY III, LLC REC. 01/07/2022 (MILLER)* *CAUSE WAS ORIGINALLY HEARD AND RECOMMENDED 09/28/2020 (MILLER) BUT ORDER NEVER ISSUED. NO PROTESTS OR OTHER ACTIONS FILED AS OF 01/12/2022.

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.



Well Location Plat

S.H.L. Sec. 3-11N-10W I.M.
B.H.L. Sec. 15-11N-10W I.M.

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: McBEE 1H-10-15

Surface Hole Location: 253' FSL - 1909' FWL Gr. Elevation: 1537'

SE/4-SW/4-SE/4-SW/4 Section: 3 Township: 11N Range: 10W I.M.

Bottom Hole Location: 1980' FNL - 660' FWL

NW/4-SE/4-SW/4-NW/4 Section: 15 Township: 11N Range: 10W I.M.

County: Canadian State of Oklahoma

Terrain at Loc.: Location fell in half timber and half open pasture on hills side pad slopes down on Northwest and Southwest side of location.



All bearings shown are grid bearings.



1" = 1500'

GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc.:
Lat: 35°26'59.03"N
Lon: 98°14'51.96"W
Lat: 35.44972983
Lon: -98.24776592
X: 1894700
Y: 163805

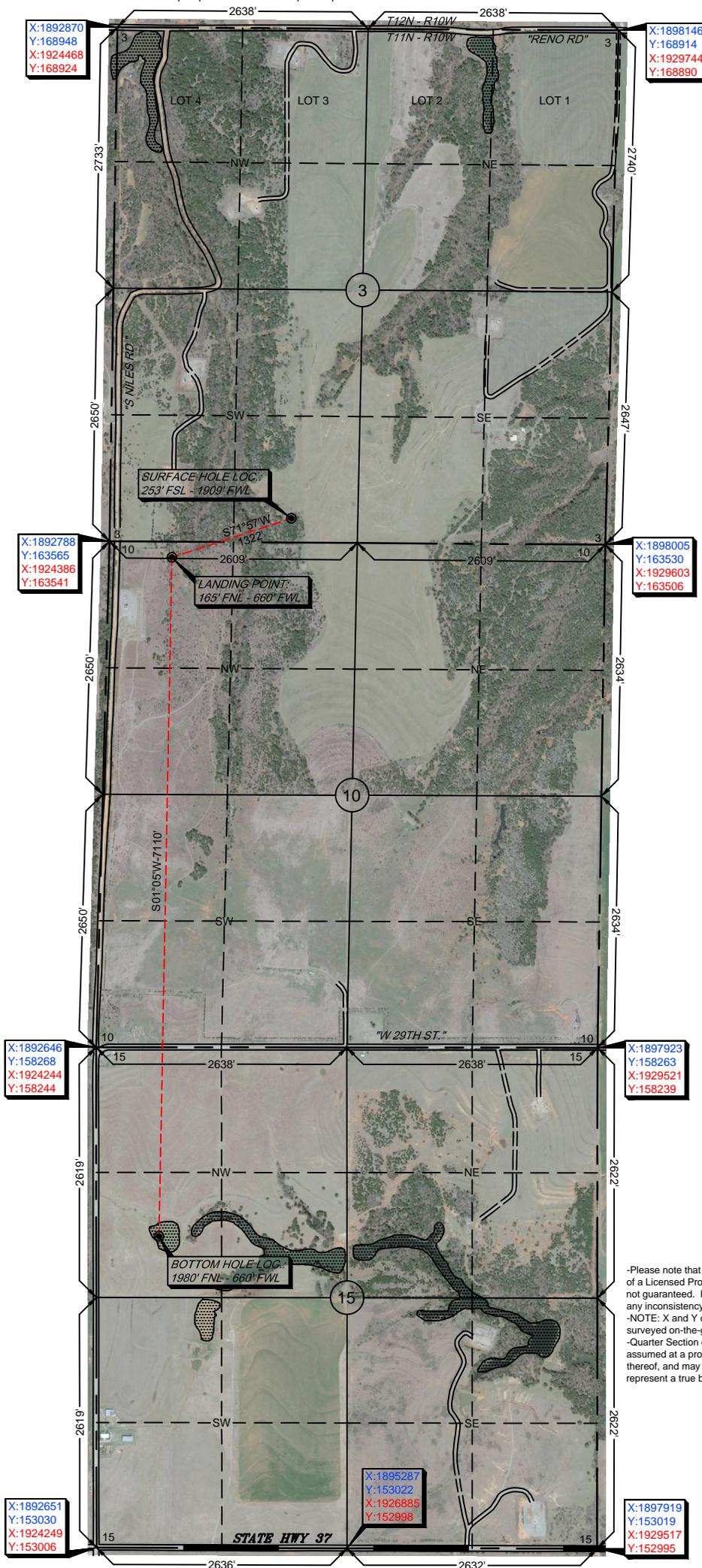
Surface Hole Loc.:
Lat: 35°26'58.84"N
Lon: 98°14'50.75"W
Lat: 35.44967672
Lon: -98.24743144
X: 1926298
Y: 163781

Landing Point:
Lat: 35°26'54.95"N
Lon: 98°15'07.14"W
Lat: 35.44859612
Lon: -98.25198234
X: 1893443
Y: 163396

Landing Point:
Lat: 35°26'54.75"N
Lon: 98°15'05.93"W
Lat: 35.44854299
Lon: -98.25164776
X: 1925041
Y: 163372

Bottom Hole Loc.:
Lat: 35°25'44.64"N
Lon: 98°15'08.55"W
Lat: 35.42906635
Lon: -98.25237440
X: 1893308
Y: 156287

Bottom Hole Loc.:
Lat: 35°25'44.45"N
Lon: 98°15'07.34"W
Lat: 35.42901268
Lon: -98.25204015
X: 1924906
Y: 156263



-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

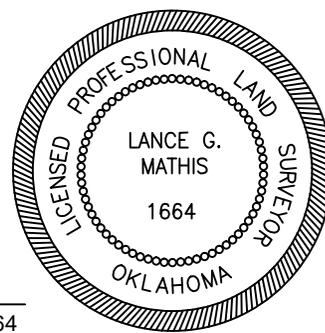
Certification:

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

11/18/2021

OK LPLS 1664



Invoice #9721-A
Date Staked: 11/12/2021 By: H.S.
Date Drawn: 11/17/2021 By: J.L.



Well Location Plat

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B.H.L. Sec. 15-11N-10W I.M.

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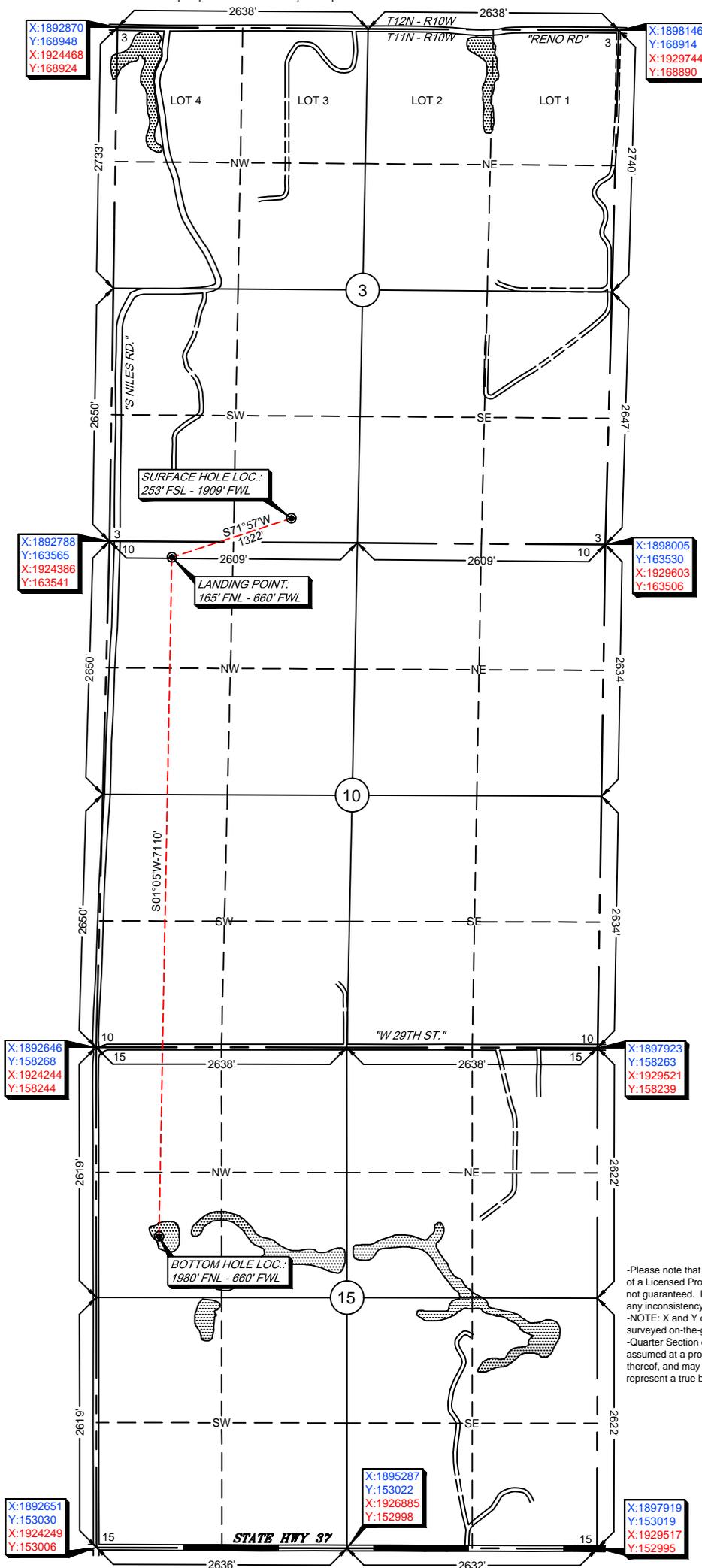
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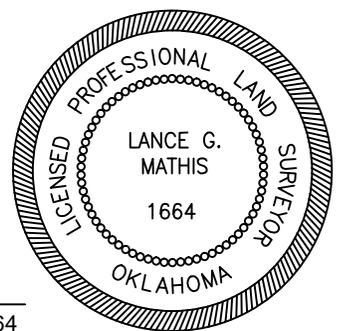
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Date Drawn: 11/17/2021 By: J.L.



Anti-Collision

Sec(s). 3, 10, & 15-11N-10W I.M.

Operator: CITIZEN ENERGY, LLC

Lease Name and No.: McBEE 1H-10-15

Surface Hole Location: 253' FSL - 1909' FWL

Sec. 3 Twp. 11N Rng. 10W I.M.

Landing Point: 165' FNL - 660' FWL

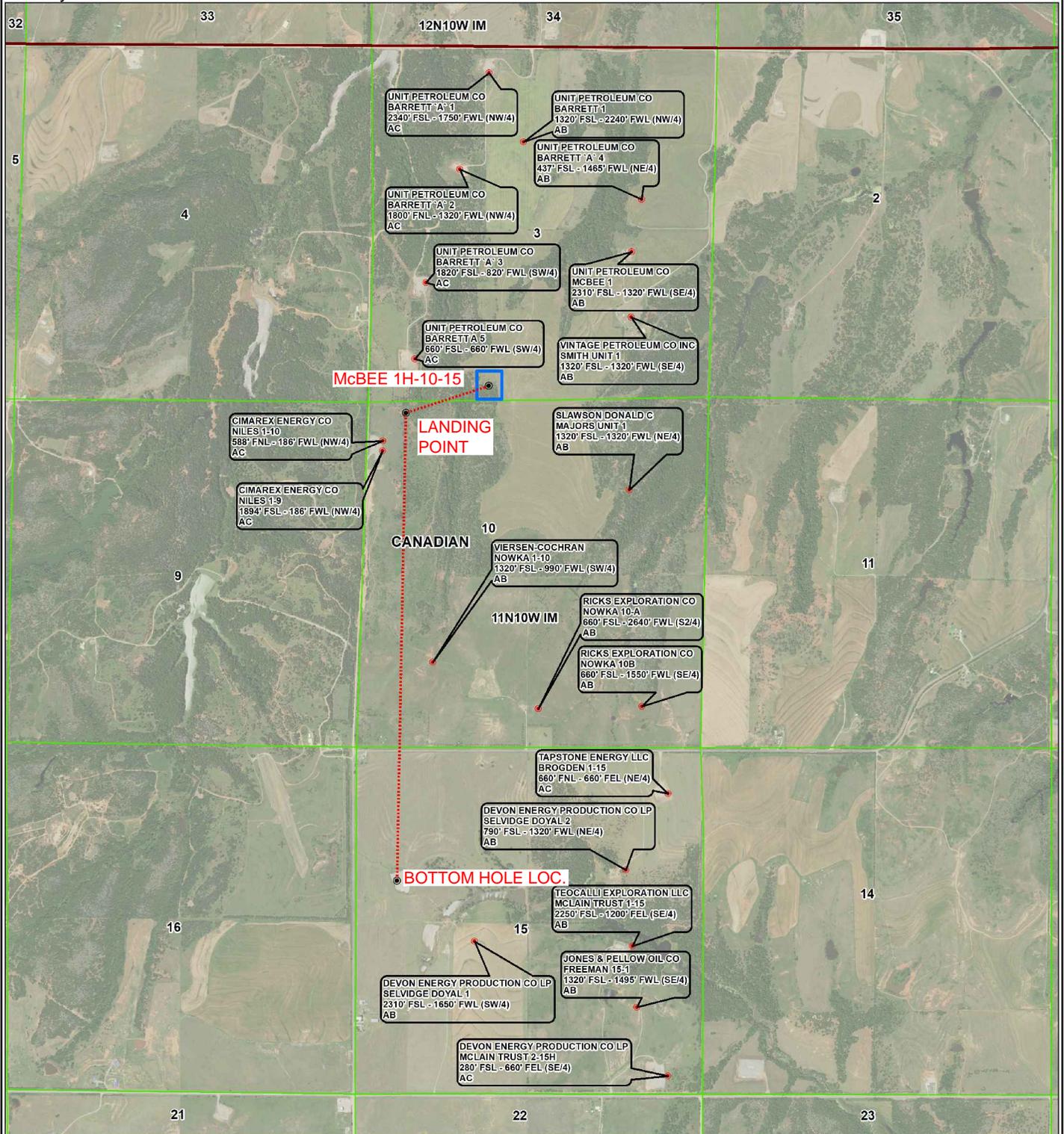
Sec. 10 Twp. 11N Rng. 10W I.M.

Bottom Hole Location: 1980' FNL - 660' FWL

Sec. 15 Twp. 11N Rng. 10W I.M.

County: Canadian State of Oklahoma

● SHL	▭ PAD
● LP & BHL	▭ Counties
⋯ Bore Path	▭ Township-Range
● OCC Well	▭ Sections





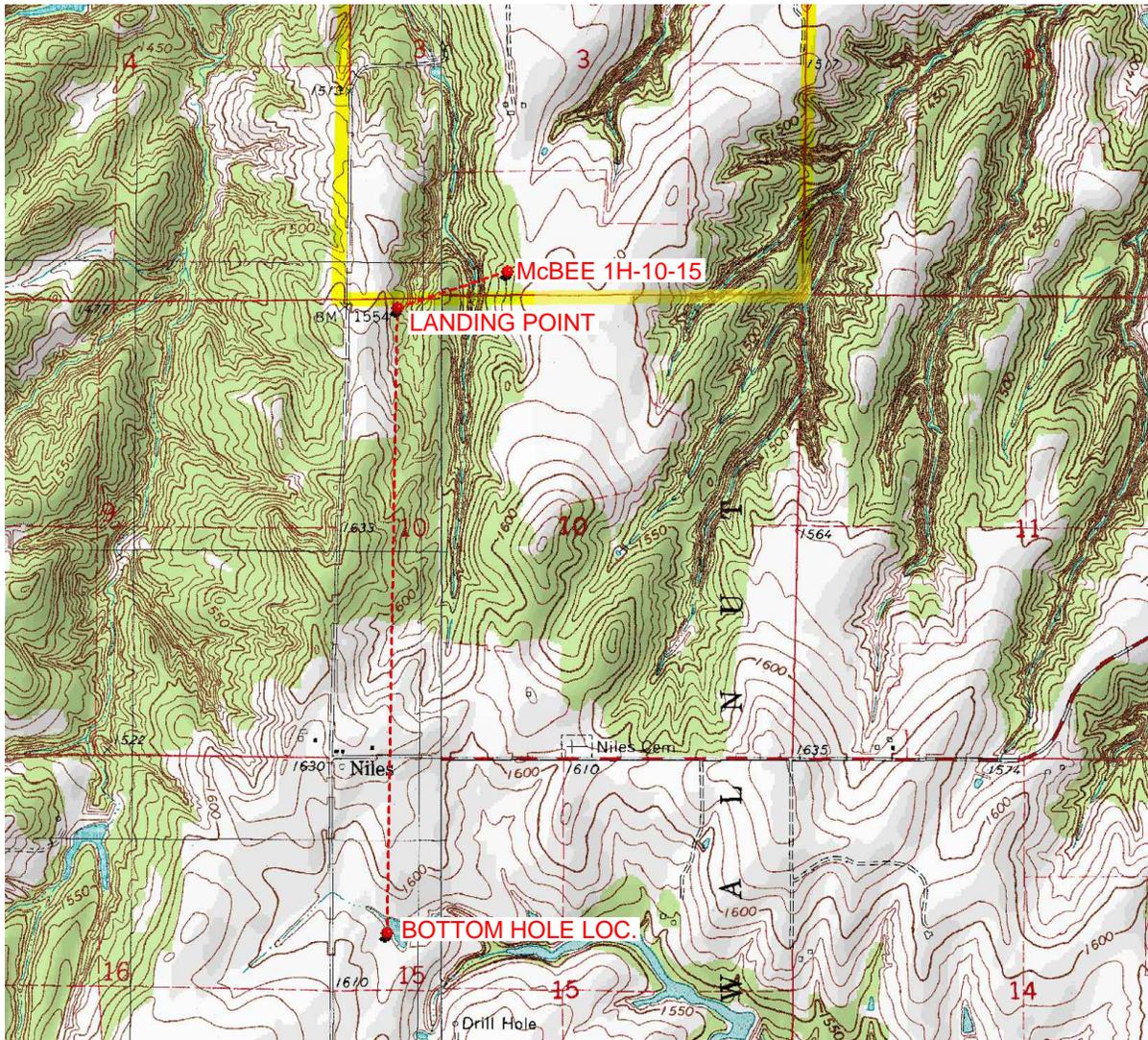
Topographic Vicinity Map

Operator: CITIZEN ENERGY, LLC
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 Sec. 15 Twp. 11N Rng. 10W I.M.
 County: Canadian State of Oklahoma



Scale 1" = 2000'
 Contour Interval: 10'

Ground Elevation at Surface Hole Location: 1537'



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Date Staked: 11/12/2021

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.

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