

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

API NUMBER: 151 24604

Approval Date: 08/04/2022  
Expiration Date: 02/04/2024

Multi Unit Oil & Gas

**PERMIT TO DRILL**

WELL LOCATION: Section: 08 Township: 23N Range: 13W County: WOODS

SPOT LOCATION:  NW  NW  NW  NE FEET FROM QUARTER: FROM NORTH FROM EAST  
SECTION LINES: 225 2400

Lease Name: MCBRIDE Well No: 1H-8-17 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

PAULA AND KENNETH BAKER  
45198 BECKHAM ROAD  
ALINE OK 73716

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

Name	Code	Depth
1 MISSISSIPPI	351MISS	6900
2 MISSISSIPPI LIME	351MSSLM	6900

Spacing Orders: 154982 Location Exception Orders: **No Exceptions** Increased Density Orders: **No Density**  
52227

Pending CD Numbers: 202202496 Working interest owners' notified: \*\*\* Special Orders: **No Special**  
202202495  
202202497  
202202498

Total Depth: 17100 Ground Elevation: 1487 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 90

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: 22-38438
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: 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:** AP/TE DEPOSIT  
**Pit Location Formation:** TERRACE

**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:** AP/TE DEPOSIT  
**Pit Location Formation:** TERRACE

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: 17      Township: 23N      Range: 13W      Meridian: IM      Total Length: 10223  
 County: WOODS      Measured Total Depth: 17100  
 Spot Location of End Point: S2    S2    S2    S2      True Vertical Depth: 6900  
 Feet From: **SOUTH**      1/4 Section Line: 165      End Point Location from  
 Feet From: **WEST**      1/4 Section Line: 2640      Lease,Unit, or Property Line: 165

**NOTES:**

Category	Description
DEEP SURFACE CASING	[7/22/2022 - 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	[7/22/2022 - 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: <a href="http://OCCWEB.COM/OG/OGFORMS.HTML">OCCWEB.COM/OG/OGFORMS.HTML</a> ; 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 <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a>
MEMO	[7/22/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202202495	[8/3/2022 - G56] - (I.O.) 8 & 17-23N-13W EST MULTIUNIT HORIZONTAL WELL X154982 MSSLM 8-23N-13W X52227 MISS 17-23N-13W 50% 8-23N-13W 50% 17-23N-13W NO OP NAMED REC 7/18/2022 (MOORE)
PENDING CD - 202202496	[8/3/2022 - G56] - (I.O.) 8 & 17-23N-13W X154982 MSSLM 8-23N-13W X52227 MISS 17-23N-13W COMPL INT (8-23N-13W) NCT 165' FNL, NCT 0' FSL, NCT 330' FWL COMPL INT (17-23N-13W) NCT 0' FNL, NCT 165' FSL, NCT 330' FWL NO OP NAMED REC 7/18/2022 (MOORE)
PENDING CD - 202202497	[8/3/2022 - G56] - 8-23N-13W X154982 MSSLM 1 WELL CITIZEN ENERGY III, LLC REC 7/18/2022 (MOORE)
PENDING CD - 202202498	[8/3/2022 - G56] - 17-23N-13W X52227 MISS 1 WELL CITIZEN ENERGY III, LLC REC 7/18/2022 (MOORE)
SPACING - 154982	[8/3/2022 - G56] - (640) 8-23N-13W EXT OTHER EXT 67915 MSSLM
SPACING - 52227	[8/3/2022 - G56] - (640) 17-23N-13W EXT OTHERS EST MISS, OTHERS

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