

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

API NUMBER: 017 25756 A

Approval Date: 01/03/2022
Expiration Date: 07/03/2023

Multi Unit Oil & Gas

Amend reason: CORRECT SHL

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 16 Township: 10N Range: 5W County: CANADIAN

SPOT LOCATION: SE SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 260 2156

Lease Name: NOWLIN Well No: 2H-21-28 Well will be 260 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

BRAD NOWLIN
13401 S. MUSTANG RD
MUSTANG OK 73064

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

Name	Code	Depth
1 WOODFORD	319WDFD	9800

Spacing Orders: 652588 Location Exception Orders: 723030 Increased Density Orders: 723382
649768 722985
723118

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

Total Depth: 20100 Ground Elevation: 1197 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 160

Deep surface casing has been approved

Approved Method for disposal of Drilling Fluids:
D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 21-38026
H. (Other) SEE MEMO

PIT 1 INFORMATION	Category of Pit: C
Type of Pit System: CLOSED Closed System Means Steel Pits	Liner not required for Category: C
Type of Mud System: WATER BASED	Pit Location is: ALLUVIAL
Chlorides Max: 5000 Average: 3000	Pit Location Formation: ALLUVIUM
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 <u>is</u> located in a Hydrologically Sensitive Area.	
PIT 2 INFORMATION	Category of Pit: C
Type of Pit System: CLOSED Closed System Means Steel Pits	Liner not required for Category: C
Type of Mud System: OIL BASED	Pit Location is: ALLUVIAL
Chlorides Max: 300000 Average: 250000	Pit Location Formation: ALLUVIUM
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 <u>is</u> located in a Hydrologically Sensitive Area.	

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: 28 Township: 10N Range: 5W Meridian: IM Total Length: 10019
 County: GRADY Measured Total Depth: 20100
 Spot Location of End Point: S2 S2 S2 SE True Vertical Depth: 9800
 Feet From: **SOUTH** 1/4 Section Line: 165 End Point Location from
 Feet From: **EAST** 1/4 Section Line: 1320 Lease,Unit, or Property Line: 165

NOTES:

Category	Description
DEEP SURFACE CASING	[12/30/2021 - 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	[12/30/2021 - 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
INCREASED DENSITY - 722985	[8/18/2022 - G56] - (I.O.) 21-10N-5W X652588 WDFD 1 WELL CITIZEN ENERGY III, LLC 1/21/2022
INCREASED DENSITY - 723382	[8/18/2022 - G56] - (I.O.) 28-10N-5W X649768 WDFD 1 WELL CITIZEN ENERGY III, LLC 2/8/2022
LOCATION EXCEPTION - 723030	[8/18/2022/2022 - G56] - (I.O.) 21 & 28-10N-5W X652588 WDFD 21-10N-5W X649768 WDFD 28-10N-5W SHL 260' FSL, 2136' FEL COMPL INT (21-10N-5W) NCT 165' FNL, NCT 0' FSL, NCT 990' FEL COMPL INT (28-10N-5W) NCT 165' FSL, NCT 0' FNL, NCT 990' FEL CITIZEN ENERGY III, LLC 1/25/2022
MEMO	[12/30/2021 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 649768	[1/3/2022 - G56] - (640)(HOR) 28-10N-5W VAC 264865/VAR/480763 WFDMS EXT 641851 WDFD, OTHER COMPL INT NCT 165' FNL & FSL, NCT 330' FEL & FWL
SPACING - 652588	[1/3/2022 - G56] - (640)(HOR) 21-10N-5W EST WDFD POE TO BHL NCT 165' FNL & FSL, NCT 330' FEL & FWL
SPACING - 723118	[8/18/2022 - G56] - (I.O.) 21 & 28-10N-5W EST MULTIUNIT HORIZONTAL WELL X652588 WDFD 21-10N-5W X649768 WDFD 28-10N-5W 50% 21-10N-5W 50% 28-10N-5W CITIZEN ENERGY III, LLC 1/28/2022

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