

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

API NUMBER: 019 26013

Approval Date: 11/26/2013

Expiration Date: 05/26/2014

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 22 Twp: 2S Rge: 2W

County: CARTER

SPOT LOCATION:

SW

NW

SW

SE

FEET FROM QUARTER: FROM

SOUTH

FROM

WEST

SECTION LINES:

783

216

Lease Name: SOUTHEAST TATUMS UNIT

Well No: 3-28

Well will be 216 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

CITATION OIL & GAS CORP.
P.O. BOX 690688
HOUSTON TX 77269

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

	Name	Depth	Name	Depth
1	DEESE	1199	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 550635

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 1700

Ground Elevation: 922

Surface Casing: 0

Depth to base of Treatable Water-Bearing FM: 960

Cement will be circulated from Total Depth to the Ground Surface on the Production Casing String.

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: 1600 Average: 900

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: WELLINGTON

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 13-24908

H. CBL REQUIRED

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
ALTERNATE CASING	11/21/2013 - G71 - APPROVED WITH THE FOLLOWING CONDITIONS: 1) DRILLING FLUID WILL BE MUD PRIOR TO TOTAL DEPTH; AND, 2) COPY OF CBL NEEDS TO BE SUBMITTED TO OCC TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED PER OCC 165:10-3-4(D)(4)(C)
SPACING - 550635	11/26/2013 - G75 - (UNIT) SE4 22-2S-2W EST SOUTHEAST TATUMS UNIT FOR DEESS