

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

API NUMBER: 019 26128

Approval Date: 09/04/2014

Expiration Date: 03/04/2015

Directional Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 2S Rge: 2W

County: CARTER

SPOT LOCATION: ☐ SE ☐ NE ☐ SE ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 716 176

Lease Name: COX PENN SAND UNIT

Well No: 161

Well will be 716 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

DELORES WILSON TURNER TRUSTEE
1242 SIMMONS STREET
ANTIOCH CA 94509

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

Name	Depth	Name	Depth
1 PENN SD	1070	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 45616

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 2133

Ground Elevation: 923

Surface Casing: 0

Depth to base of Treatable Water-Bearing FM: 780

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

Under Federal Jurisdiction: Yes

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

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

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

PERMIT NO: 14-27772

H. CBL REQUIRED

DIRECTIONAL HOLE 1

Sec 15 Twp 2S Rge 2W County CARTER

Spot Location of End Point: SW NW SW SW

Feet From: SOUTH 1/4 Section Line: 716

Feet From: WEST 1/4 Section Line: 109

Measured Total Depth: 2133

True Vertical Depth: 2100

End Point Location from Lease,

Unit, or Property Line: 716

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	APPROVED WITH THE FOLLOWING CONDITIONS: (1) MUD UP PRIOR TO TD TO PROTECT SHALLOW SANDS, (2) 2-STAGE CEMENTING TOOL TO BE SET AT 100' BELOW BTW AND USED ONLY IF CEMENT IS NOT CIRCULATED TO SURFACE ON THE PRODUCTION CASING STRING, & (3) COPY OF CBL NEEDS TO BE SUBMITTED TO THE TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED. RULE 165: 10-3-4 (D)(4)(C)
FRAC FOCUS	8/13/2014 - G76 - THE REQUIREMENT FOR CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS WILL BE EXTENDED TO INCLUDE ALL NON-HORIZONTAL WELLS FOR HYDRAULIC FRACTURING OPERATIONS BEGINNING JANUARY 1, 2014. REFER TO OCC RULE 165:10-3-10 FOR COMPLIANCE REQUIREMENTS. PLEASE REPORT DIRECTLY TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM
SPACING - 45616	9/4/2014 - G72 - (UNIT) SE4 SE4 & E2 NE4 SE4 & SW4 NE4 SE4 SE NE & NE SW NE & E2 NE NE 16-2S-2W S2 SW, NW SW, W2 NE SW, SW NW, S2 NW NW, NW NW NW, NW SE NW 15-2S-2W EST COX PENN SAND UNIT FOR PVSD