

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

API NUMBER: 019 26135

Approval Date: 09/09/2014

Expiration Date: 03/09/2015

Directional Hole Oil & Gas

PERMIT TO DRILL

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

County: CARTER

SPOT LOCATION: ☐ NE ☐ NE ☐ SE ☐ SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 1130 7

Lease Name: COX PENN SAND UNIT

Well No: 160

Well will be 1101 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

BUREAU OF INDIAN AFFAIRS, MATT LOBAUGH
P O BOX 2240
ADA OK 74821

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

Name	Depth	Name	Depth
1 PENN SD	1038	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: 2112

Ground Elevation: 939

Surface Casing: 0

Depth to base of Treatable Water-Bearing FM: 760

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

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: 14-27771

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: 966

Feet From: WEST 1/4 Section Line: 22

Measured Total Depth: 2112

True Vertical Depth: 2100

End Point Location from Lease,

Unit, or Property Line: 0

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	8/19/2014 - G76 - 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	8/19/2014 - 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	9/8/2014 - 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