

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

API NUMBER: 017 24912

Approval Date: 06/21/2016
Expiration Date: 12/21/2016

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 11N Rge: 7W County: CANADIAN
SPOT LOCATION: NW SE SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 340 920

Lease Name: **OPPEL** Well No: **1H-17-20** Well will be **340** feet from nearest unit or lease boundary.
Operator Name: **CITIZEN ENERGY II LLC** Telephone: 9189494680 OTC/OCC Number: 23559 0

CITIZEN ENERGY II LLC
320 S BOSTON AVE STE 1300
TULSA, OK 74103-4702

DALE D OPPEL
16995 EAST 780 ROAD
KINGFISHER OK 73750

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

Name	Depth	Name	Depth
1 WOODFORD	10700	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 590247

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201600983
201600984
201600982

Special Orders:

Total Depth: 18900

Ground Elevation: 1380

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 390

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 5000 Average: 3000

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: DOG CREEK

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 16-31335

H. SEE MEMO

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.

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: DOG CREEK

HORIZONTAL HOLE 1

Sec 20 Twp 11N Rge 7W County CANADIAN

Spot Location of End Point: W2 E2 E2 E2

Feet From: NORTH 1/4 Section Line: 2640

Feet From: EAST 1/4 Section Line: 360

Depth of Deviation: 10200

Radius of Turn: 470

Direction: 187

Total Length: 7961

Measured Total Depth: 18900

True Vertical Depth: 10700

End Point Location from Lease,
Unit, or Property Line: 360

Notes:

Category

Description

DEEP SURFACE CASING

6/16/2016 - G71 - 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

6/16/2016 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK [HTTP://FRACFOCUS.ORG/](http://fracfocus.org/) WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE.

MEMO

6/16/2016 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201600982

6/16/2016 - G60 - (640) 20-11N-7W
EST WDFD
COMPL. INT. NCT 165' FNL OR FSL, NCT 330 FEL OR FWL
REC. 6-10-16 (MCKEOWN)

PENDING CD - 201600983

6/16/2016 - G60 - (E.O.) 17 & 20-11N-7W
EST MULTIUNIT HORIZONTAL WELL
X201600982 (20-11N-7W) WDFD
X590247 (17-11N-7W) WDFD
50% 17-11N-7W
50% 20-11N-7W
CITIZEN ENERGY II, LLC
REC. 6-10-16 (MCKEOWN)

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.

017 24912 OPPEL 1H-17-20

Category	Description
PENDING CD - 201600984	6/17/2016 - G60 - (E.O.) 17 & 20-11N-7W X201600982 (20-11N-7W) WDFD X590247 (17-11N-7W) WDFD SHL (9-11N-7W) 340' FSL, 920' FWL COMPL. INT. (17-11N-7W) NCT 165' FNL, NCT 0' FSL, NT 330' FEL COMPL. INT. (20-11N-7W) NCT 0' FNL, NCT 2640' FSL, NCT 330' FEL CITIZEN ENERGY II, LLC REC. 6-10-16 (MCKEOWN)
SPACING - 590247	6/16/2016 - G60 - (640)(HOR) 17-11N-7W EST WDFD COMPL. INT. NCT 165' FNL OR FSL, NCT 330' FEL OR FWL

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.



Well Location Plat

S.H.L. Sec. 9-11N-7W I.M.
B.H.L. Sec. 20-11N-7W I.M.

Operator : CITIZEN ENERGY, LLC
Lease Name and No. : OPPEL 1H-17-20
Footage : 340' FSL - 920' FWL GR. ELEVATION : 1380' Good Site? YES
Section : 9 Township 11N Range : 7W I.M.
County : Canadian State of Oklahoma
Alternate Loc. : N/A

Terrain at Loc. : Location fell in an open, hilly pasture. North of a proposed ENLINK pipeline & East of an existing DCP pipeline.

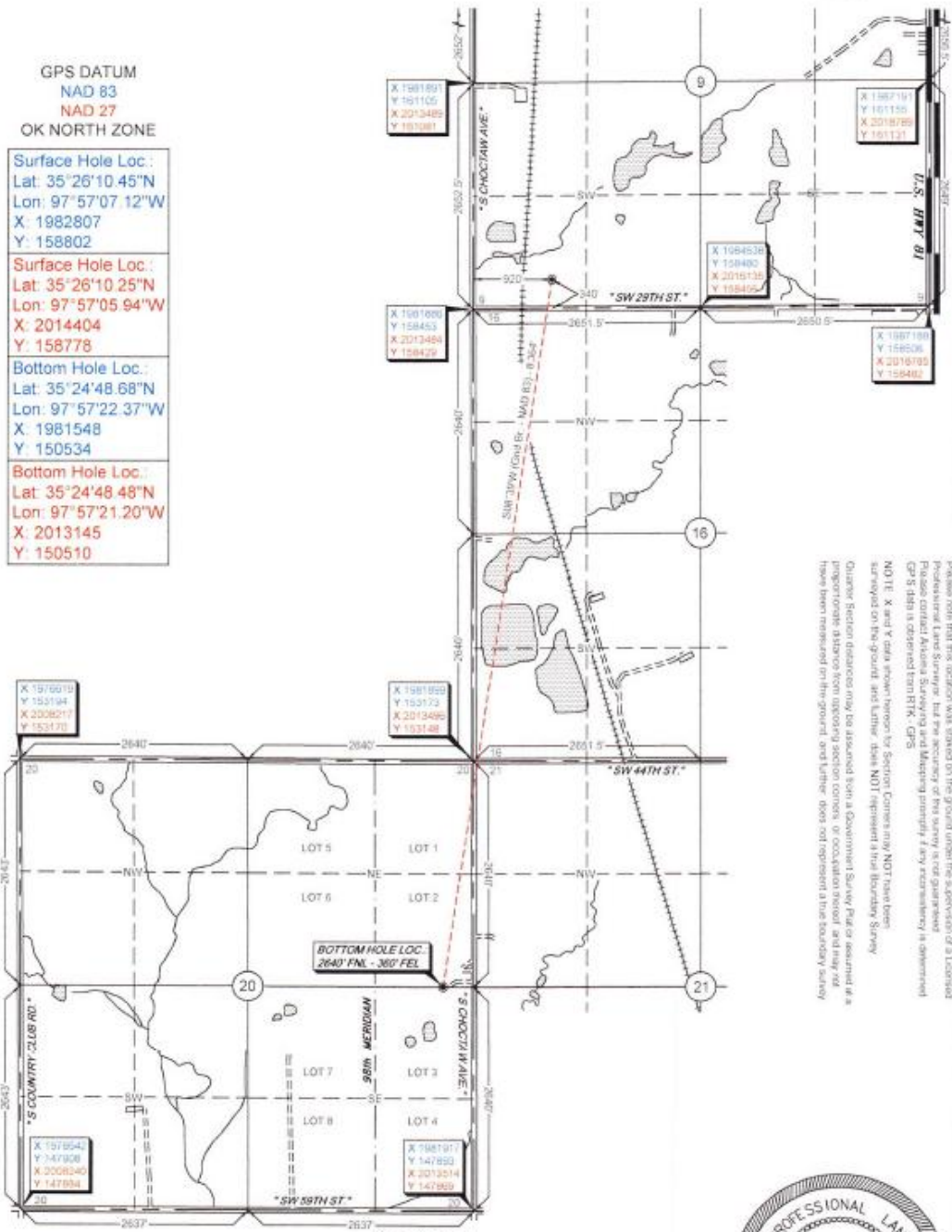
Accessibility : From the North

Directions : From the junction of Interstate 40 & U.S. Hwy 81 in El Reno, OK, go 4.6 miles South on Hwy 81, go 1.0 mile West on "SW 29th St." to the Southwest Corner of Section 9-11N-7W.



GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc. Lat: 35°26'10.45"N Lon: 97°57'07.12"W X: 1982807 Y: 158802
Surface Hole Loc. Lat: 35°26'10.25"N Lon: 97°57'05.94"W X: 2014404 Y: 158778
Bottom Hole Loc. Lat: 35°24'48.68"N Lon: 97°57'22.37"W X: 1981548 Y: 150534
Bottom Hole Loc. Lat: 35°24'48.48"N Lon: 97°57'21.20"W X: 2013145 Y: 150510



Please note that the sections are situated on the ground under the supervision of a Licensed Professional Land Surveyor. In the event of a discrepancy between the plat and the ground, the ground shall prevail. Please contact Arkoma Surveying and Mapping promptly if any discrepancy is observed. GPS data is obtained from RTK, GPS.

NOTE: X and Y data shown herein for Section Corners may NOT have been surveyed on the ground and further, does NOT represent a true boundary survey. Quarter Section distances may be assumed from a Government Survey Plat or assumed if a proportionate distance from opposing section corners, or occupation record, and may not have been measured on the ground, and further, does not represent a true boundary survey.

survey and plat by
Arkoma Surveying and Mapping, PLLC
P.O. Box 238 Wilburton, OK 74578
Ph 918-485-5711 Fax 918-485-5030
Certificate of Authorization No. 5348
Expires June 30 2016

Certification:
This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

Lance G. Mathis 06/02/16
LANCE G. MATHIS OK I.P.L.S. 1664



Invoice #6404-A
Date Staked: 05/25/16 By: H.S.
Date Drawn: 06/01/16 By: K.M.