

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

API NUMBER: 017 24939

Approval Date: 09/20/2016
Expiration Date: 03/20/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 11 Twp: 10N Rge: 6W County: CANADIAN
SPOT LOCATION: NE NE NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 225 225

Lease Name: CARPENTER Well No: 1H-11-14 Well will be 225 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

CARPENTER FAMILY LLC #1
13801 SOUTHWEST 89TH
MUSTANG OK 73064

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

Name	Depth	Name	Depth
1 WOODFORD	9700	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 469218

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201601476
201601478
201601477

Special Orders:

Total Depth: 19200

Ground Elevation: 1295

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 40

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: DUNCAN

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 16-31609

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: DUNCAN

HORIZONTAL HOLE 1

Sec 14 Twp 10N Rge 6W County GRADY

Spot Location of End Point: SW SE SE SE

Feet From: SOUTH 1/4 Section Line: 1

Feet From: EAST 1/4 Section Line: 465

Depth of Deviation: 8800

Radius of Turn: 573

Direction: 181

Total Length: 9500

Measured Total Depth: 19200

True Vertical Depth: 9700

End Point Location from Lease,
Unit, or Property Line: 1

Notes:

Category

Description

DEEP SURFACE CASING

9/14/2016 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

HYDRAULIC FRACTURING

9/14/2016 - 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

9/14/2016 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

PENDING CD - 201601476

9/15/2016 - G75 - (640)(HOR) 11-10N-6W
EST WDFD
POE TO BHL NCT 165' TO NL & SL, NCT 330' TO EL & WL
REC 8-31-2016 (MCKEOWN)

PENDING CD - 201601477

9/16/2016 - G75 - (I.O.) 11 & 14-10N-6W
EST MULTIUNIT HORIZONTAL WELL
XOTHERS
X201601476 WDFD 11-10N-6W
X469218 WDFD 14-10N-6W
50% 11-10N-6W
50% 14-10N-6W
NO OP. NAMED
REC 8-31-2016 (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.

Category	Description
PENDING CD - 201601478	9/16/2016 - G75 - (I.O.) 11 & 14-10N-6W XOTHERS X201601476 WDFD 11-10N-6W X469218 WDFD 14-10N-6W COMPL. INT. (11-10N-6W) NCT 165' TO NL, NCT 0' TO SL, NCT 330' TO EL COMPL. INT. (14-10N-6W) NCT 0' TO NL, NCT 165' TO SL, NCT 330' TO EL NO OP. NAMED REC 8-31-2016 (MCKEOWN)
SPACING - 469218	9/16/2016 - G75 - (640) 14-10N-6W EXT OTHER EXT 242927 WDFD, OTHER

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.

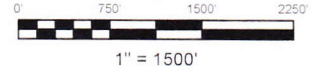


Well Location Plat

S.H.L. 11-10N-6W I.M.
B.H.L. 14-10N-6W I.M.

Operator : CITIZEN ENERGY, LLC
Lease Name and No. : CARPENTER 1H-11-14
Footage : 225' FNL - 225' FEL GR. ELEVATION : 1295' Good Site? YES
Section : 11 Township : 10N Range : 6W I.M.
County : Canadian State of Oklahoma
Terrain at Loc. : Location fell in pasture, ±200' South of an E-W Fence & ±190' West of an existing N-S Enable P/L.
Accessibility : From the East.
Directions : From the West junction of State Hwy 152 & State Hwy 4 in Mustang, OK, go 4.0 miles West on Hwy 152, go 2.0 miles South on "Richland Rd." to the Northeast Corner of Section 11-10N-6W.

API 017-24939

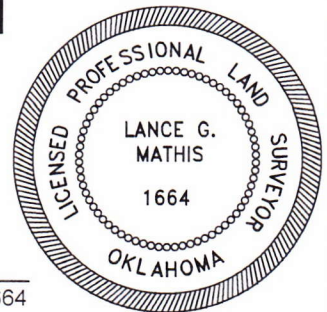
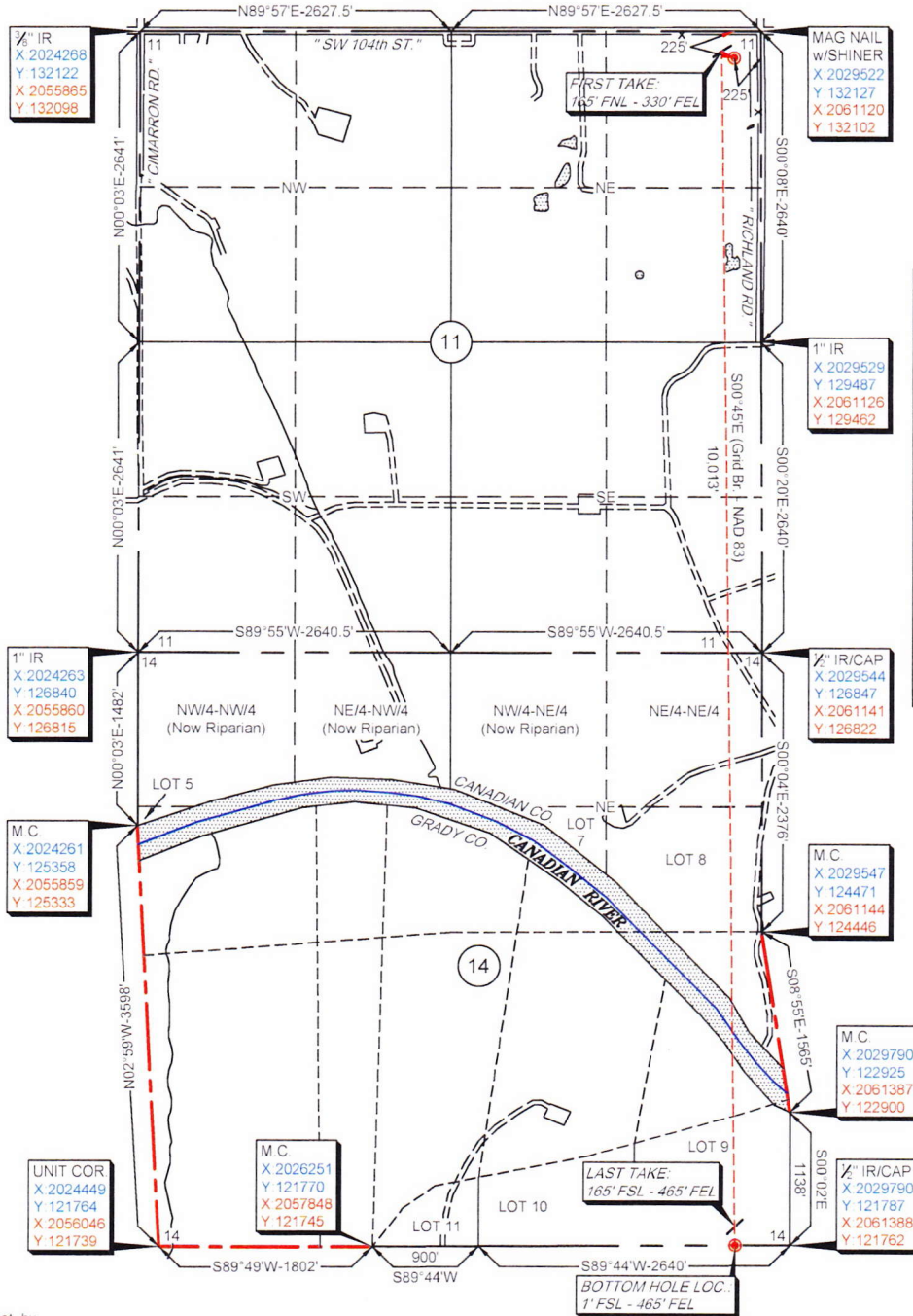


GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc. Lat: 35°21'43.81"N Lon: 97°47'45.99"W X: 2029298 Y: 131902	First Take Lat: 35°21'44.40"N Lon: 97°47'47.26"W X: 2029193 Y: 131963
Surface Hole Loc. Lat: 35°21'43.60"N Lon: 97°47'44.83"W X: 2060895 Y: 131877	First Take Lat: 35°21'44.19"N Lon: 97°47'46.10"W X: 2060790 Y: 131937
Last Take Lat: 35°20'05.39"N Lon: 97°47'45.92"W X: 2029325 Y: 121950	Bottom Hole Loc. Lat: 35°20'03.76"N Lon: 97°47'45.92"W X: 2029325 Y: 121786
Last Take Lat: 35°20'05.17"N Lon: 97°47'44.83"W X: 2060923 Y: 121925	Bottom Hole Loc. Lat: 35°20'03.55"N Lon: 97°47'44.76"W X: 2060923 Y: 121761

NOTE: X and Y data shown hereon 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 at a proportionate distance from opposing section corners, or occupation thereof, 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. 918-465-5711 Fax 918-465-5030
Certificate of Authorization No. 5348
Expires August 31, 2018
Invoice #6382
Date Staked : 06/16/16 By : J.W.
Date Drawn : 06/20/16 By : K.M.
Add First & Last Take : 09/13/16 By : C.S.
Revise BHL : 09/14/16 By : J.H.

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
LANCE G. MATHIS

9/14/16

OK LPLS 1664