

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

API NUMBER: 051 24193

Approval Date: 09/19/2017
Expiration Date: 03/19/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 9N Rge: 8W County: GRADY
SPOT LOCATION: SE NE NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 340 275

Lease Name: LOCKE Well No: 1H-6 Well will be 275 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 900
TULSA, OK 74103-3729

WILLIAM AND TERESA LOCKE
1369 SW 3RD STREET
MINCO OK 73059

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

Name	Depth	Name	Depth
1 MISSISSIPPI LIME	12300	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 98732

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201706277

Special Orders:

Total Depth: 17570

Ground Elevation: 1389

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 340

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: MARLOW

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 17-33046

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: MARLOW

HORIZONTAL HOLE 1

Sec 06 Twp 9N Rge 7W County GRADY

Spot Location of End Point: S2 SW SW SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 330

Depth of Deviation: 11870

Radius of Turn: 477

Direction: 176

Total Length: 4951

Measured Total Depth: 17570

True Vertical Depth: 12350

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Category

Description

DEEP SURFACE CASING

9/19/2017 - 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

9/19/2017 - G71 - OCC 165:10-3-10 REQUIRES:

1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;

2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: OCCEWEB.COM/OG/OGFORMS.HTML; AND,

3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK: FRACFOCUS.ORG

MEMO

9/19/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201706277

9/19/2017 - G64 - (E.O.) 6-9N-7W
X98732 MSSLM
COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FWL
CITIZEN ENERGY II, LLC
REC. 9-19-2017 (JOHNSON)

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

SPACING - 98732

9/19/2017 - G64 - (640) 6-9N-7W
EST MSSLM, 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

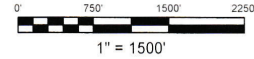
S.H.L. Sec. 1-9N-8W I.M.
B.H.L. Sec. 6-9N-7W I.M.

Operator : CITIZEN ENERGY, LLC
Lease Name and No. : LOCKE 1H-6
Footage : 340' FNL - 275' FEL GR ELEVATION : 1389'
Section : 1 Township : 9N Range : 8W I.M.
County : Grady State of Oklahoma
Terrain at Loc. : Location fell in open pasture field with drain running down the middle of location, elevation drops to the West.

API: 051 24193

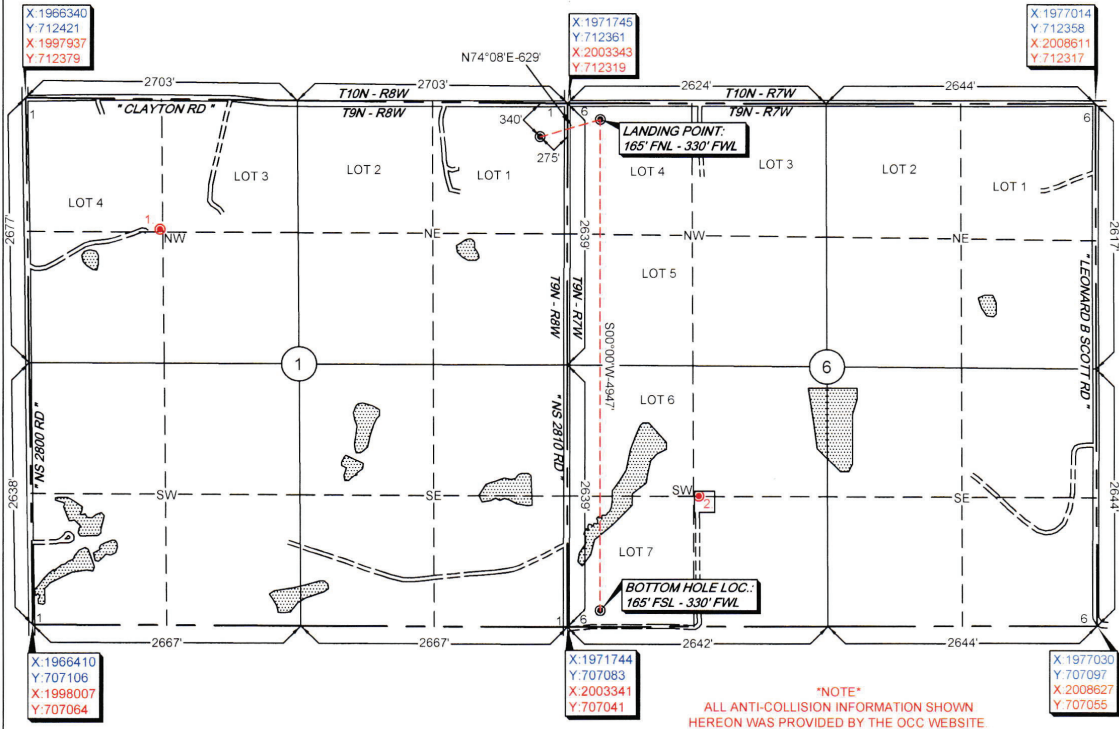


All bearings shown are grid bearings



GPS DATUM
NAD 83
NAD 27
OK SOUTH ZONE

Surface Hole Loc.: Lat: 35°17'23.25"N Lon: 97°59'24.17"W Lat: 35.28979208 Lon: -97.99004730 X: 1971470 Y: 712024	Landing Point: Lat: 35°17'24.95"N Lon: 97°59'16.87"W Lat: 35.29026390 Lon: -97.98801999 X: 1972075 Y: 712195	Bottom Hole Loc.: Lat: 35°16'36.03"N Lon: 97°59'16.89"W Lat: 35.27667367 Lon: -97.98802544 X: 1972074 Y: 707249
Surface Hole Loc.: Lat: 35°17'23.04"N Lon: 97°59'23.00"W Lat: 35.28973253 Lon: -97.98972198 X: 2003067 Y: 711982	Landing Point: Lat: 35°17'24.74"N Lon: 97°59'15.70"W Lat: 35.29020436 Lon: -97.98769471 X: 2003673 Y: 712154	Bottom Hole Loc.: Lat: 35°16'35.81"N Lon: 97°59'15.72"W Lat: 35.27661366 Lon: -97.98770031 X: 2003671 Y: 707207



NOTE
ALL ANTI-COLLISION INFORMATION SHOWN
HEREON WAS PROVIDED BY THE OCC WEBSITE
WELLS HAVE NOT BEEN SHOT ON THE GROUND

1. STAMPS BROTHERS OIL & GAS
LOCKE 1
1320' FNL - 1320' FWL (NW/4)
OCC STATUS: PA
2. STAMPS BROTHERS OIL & GAS
PEERY 1
1320' FSL - 1320' FWL (SW/4)
OCC STATUS: PA

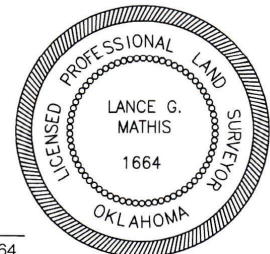
Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS.

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 June 30, 2018

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
08/14/17
OK LPLS 1664



Invoice #7279
Date Staked : 08/08/17 By : J.L.
Date Drawn : 08/10/17 By : K.B.