

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

API NUMBER: 149 21673 B

Approval Date: 01/09/2013
Expiration Date: 07/09/2013

Horizontal Hole Oil & Gas

Amend reason: CHANGE SHL AND GROUND ELEVATION

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 24 Twp: 11N Rge: 17W County: WASHITA
SPOT LOCATION: SE NE NE NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 520 2470

Lease Name: HULDA 13-11-17 Well No: 1H Well will be 520 feet from nearest unit or lease boundary.
Operator Name: CHESAPEAKE OPERATING INC Telephone: 4059358143 OTC/OCC Number: 17441 0

CHESAPEAKE OPERATING INC
PO BOX 18496
OKLAHOMA CITY, OK 73154-0496

MAH HOLDINGS LLC C/O CRAIG CARTER
772 N. SANTA FE AVE. STE 100
EDMOND OK 73003

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

Name	Depth	Name	Depth
1 DES MOINES GRANITE WASH	12250	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 544938 Location Exception Orders: 598792 Increased Density Orders: 600890

Pending CD Numbers: Special Orders:

Total Depth: 17583 Ground Elevation: 1569 **Surface Casing: 700** Depth to base of Treatable Water-Bearing FM: 450

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: WATER BASED
Chlorides Max: 25000 Average: 5000
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: 1B

Liner required for Category: 1B

Pit Location is BED AQUIFER

Pit Location Formation: CLOUD CHIEF

Approved Method for disposal of Drilling Fluids:

- A. Evaporation/dewater and backfilling of reserve pit.
- D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 13-22340
- 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: ON SITE
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: 3
Liner required for Category: 3
Pit Location is BED AQUIFER
Pit Location Formation: CLOUD CHIEF

HORIZONTAL HOLE 1

Sec 13 Twp 11N Rge 17W County WASHITA
Spot Location of End Point: NE NE NE NW
Feet From: NORTH 1/4 Section Line: 200
Feet From: WEST 1/4 Section Line: 2500
Depth of Deviation: 12071
Radius of Turn: 361
Direction: 1
Total Length: 4420
Measured Total Depth: 17583
True Vertical Depth: 12432
End Point Location from Lease,
Unit, or Property Line: 200

Notes:

Table with 2 columns: Category, Description. Contains notes for INCREASED DENSITY, LOCATION EXCEPTION, MEMO, and SPACING.

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