

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

API NUMBER: 047 24683

Approval Date: 03/20/2013  
Expiration Date: 09/20/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 10 Twp: 21N Rge: 6W

County: GARFIELD

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 250 1320

Lease Name: DIETERICH

Well No: 1MH-10

Well will be 250 feet from nearest unit or lease boundary.

Operator Name: CHAPARRAL ENERGY LLC

Telephone: 4054264481

OTC/OCC Number: 16896 0

CHAPARRAL ENERGY LLC  
701 CEDAR LAKE BLVD  
OKLAHOMA CITY, OK 73114-7800

MARK WILLIAM BUNDY  
RR #1, BOX 186  
RINGWOOD OK 73768

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

|   | Name          | Depth | Name | Depth |
|---|---------------|-------|------|-------|
| 1 | MISSISSIPPIAN | 6527  | 6    |       |
| 2 |               |       | 7    |       |
| 3 |               |       | 8    |       |
| 4 |               |       | 9    |       |
| 5 |               |       | 10   |       |

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201301221  
201301234

Special Orders:

Total Depth: 11378

Ground Elevation: 1142

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 380

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: 51000 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: SALT PLAINS

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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.

HORIZONTAL HOLE 1

Sec 10 Twp 21N Rge 6W County GARFIELD

Spot Location of End Point: N2 N2 N2 NW

Feet From: NORTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 1320

Depth of Deviation: 6527

Radius of Turn: 360

Direction: 360

Total Length: 4980

Measured Total Depth: 11378

True Vertical Depth: 7242

End Point Location from Lease,  
Unit, or Property Line: 50

Notes:

| Category               | Description   |
|------------------------|---|
| DEEP SURFACE CASING    | 3/20/2013 - G71 - APPROVED CONTINGENT ON NOTIFYING OCC FIELD STAFF IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING          |
| PENDING CD - 201301221 | 3/20/2013 - G30 - (E.O.)(640 HOR) 10-21N-6W<br>EST MSSP<br>(COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS; SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS)<br>REC 3/11/13 (LEAVITT) |
| PENDING CD - 201301234 | 3/20/2013 - G30 - (E.O.) 10-21N-6W<br>X201301221 MSSP<br>COMP. INT. NCT 165 FSL, NCT 165 FNL, NCT 1320 FWL<br>NO OP. NAMED<br>REC 3/11/13 (LEAVITT)   |

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.