API NUMBER: 149 21676 A

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

Approval Date: 03/21/2013
Expiration Date: 09/21/2013

17441 0

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

OTC/OCC Number:

Horizontal Hole Oil & Gas

Amend reason: WELL NAME CHANGE

AMEND PERMIT TO DRILL

WELL LOCATION:	Sec: 19 Twp: 11N Rge:	: 18W	County: WAS	SHITA	
SPOT LOCATION:	NW NW NE	FEET FROM QU	ARTER: FROM	NORTH FRO	M EAST
		SECTION LINES	i:	250	2365
Lease Name:		Well No:			
Operator	CHESAPEAKE OPERATING IN	NC		Telephone:	4059358143

CHESAPEAKE OPERATING INC

PO BOX 18496

Name:

OKLAHOMA CITY, OK 73154-0496

SHARON HALL MCNATT

PO BOX 69

FOSS OK 73647

Special Orders:

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

	Name	Depth	Name	Depth
1	DES MOINES GRANITE WASH	12370	6	
2			7	
3			8	
4			9	
5			10	
Spacing Orders:	281578	Location Exception Orders:	608739	Increased Density Orders: 608738

Pending CD Numbers:

Total Depth: 17665 Ground Elevation: 1766 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 390

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: ELK CITY

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 13-22912

H. SEE MEMO

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: ELK CITY

HORIZONTAL HOLE 1

Sec 18 Twp 11N Rge 18W County WASHITA

Spot Location of End Point: NW NW NW NE
Feet From: NORTH 1/4 Section Line: 300
Feet From: EAST 1/4 Section Line: 2500

Depth of Deviation: 12153
Radius of Turn: 361
Direction: 359
Total Length: 4420

Measured Total Depth: 17665

True Vertical Depth: 12514

End Point Location from Lease,
Unit, or Property Line: 300

 Additional Surface Owner
 Address
 City, State, Zip

 JACKIE R. MCNATT
 HC 66 BOX 22
 FOSS, OK 73647

Notes:

Category Description

DSC 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

INCREASED DENSITY - 608738 3/21/2013 - G30 - 18-11N-18W

X281578 DMSGW

1 WELL

CHESAPEAKE OPERATING, INC.

3/8/13

LOCATION EXCEPTION - 608739 3/21/2013 - G30 - (I.O.) 18-11N-18W

X281578 DMSGW

COMP. INT. NCT 300 FSL, NCT 300 FNL, NCT 1980 FEL

CHESAPEAKE OPERATING, INC.

3/8/13

MEMO 3/20/2013 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM

RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 281578 3/21/2013 - G30 - (640) 18-11N-18W

EXT 181671/233368 DMSGW, OTHER

EST OTHERS