

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

API NUMBER: 009 21885 A

Approval Date: 04/25/2013  
Expiration Date: 10/25/2013

Horizontal Hole Oil & Gas

Amend reason: AMEND SURFACE HOLE LOCATION AND REMOVE FORMATION

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 04 Twp: 11N Rge: 21W County: BECKHAM  
SPOT LOCATION: SW SW SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 253 1565

Lease Name: COFFEY 4-11-21 Well No: 2H Well will be 253 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

JIMMY D. AND ESTELLINE COFFEY  
1801 N. RANDAL  
ELK CITY OK 73644

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

	Name	Depth	Name	Depth
1	PERMIAN GRANITE WASH	5200	6	
2	DOUGLAS	9200	7	
3	TONKAWA	9700	8	
4	HOXBAR	10150	9	
5			10	

Spacing Orders: 126115  
130283

Location Exception Orders: 610831

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 16200

Ground Elevation: 2012

**Surface Casing: 600**

Depth to base of Treatable Water-Bearing FM: 350

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: 8000

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 OTHER HSA

Pit Location Formation: DOXEY

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

H. SEE MEMO

PERMIT NO: 13-23074

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 OTHER HSA
Pit Location Formation: DOXEY

HORIZONTAL HOLE 1

Sec 04 Twp 11N Rge 21W County BECKHAM
Spot Location of End Point: NE NW NW NE
Feet From: NORTH 1/4 Section Line: 200
Feet From: EAST 1/4 Section Line: 2207
Depth of Deviation: 10555
Radius of Turn: 567
Direction: 16
Total Length: 4754
Measured Total Depth: 16200
True Vertical Depth: 10916
End Point Location from Lease,
Unit, or Property Line: 200

Notes:

Table with 2 columns: Category, Description. Contains notes for MEMO, PENDING CD - 201302443, SPACING - 126115, and SPACING - 130283.

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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.