

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

API NUMBER: 009 21889

Approval Date: 05/22/2013  
Expiration Date: 11/22/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 28 Twp: 11N Rge: 26W County: BECKHAM  
SPOT LOCATION:  NW  NE  NW  NW FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 275 800

Lease Name: PAM 28-11-26 Well No: 1H Well will be 275 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

EUGENE AND PAMELA MCENTIRE  
10595 N. 1750 RD  
SWEETWATER OK 73666

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

	Name	Depth	Name	Depth
1	VIRGIL	5620	6	
2	GRANITE WASH UP (MO)	10380	7	
3			8	
4			9	
5			10	

Spacing Orders: 157235

Location Exception Orders: 610804

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 16489

Ground Elevation: 2141

**Surface Casing: 350**

Depth to base of Treatable Water-Bearing FM: 100

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 BED AQUIFER

Pit Location Formation: OGALLALA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 13-23329

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: 160000
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: OGALLALA

HORIZONTAL HOLE 1

Sec 28 Twp 11N Rge 26W County BECKHAM
Spot Location of End Point: S2 S2 SW SW
Feet From: SOUTH 1/4 Section Line: 200
Feet From: WEST 1/4 Section Line: 660
Depth of Deviation: 10977
Radius of Turn: 361
Direction: 181
Total Length: 4420
Measured Total Depth: 16489
True Vertical Depth: 11338
End Point Location from Lease,
Unit, or Property Line: 200

Notes:

Table with 2 columns: Category, Description. Includes entries for LOCATION EXCEPTION - 610804, MEMO, and SPACING - 157235.

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