

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

API NUMBER: 045 23360

Approval Date: 06/06/2013  
Expiration Date: 12/06/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 20N Rge: 26W County: ELLIS  
SPOT LOCATION:  N2  N2  NE  NE FEET FROM QUARTER: FROM NORTH FROM EAST  
SECTION LINES: 250 660

Lease Name: VINCENT TRUST 27-20-26 Well No: 1H Well will be 250 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

LLOYD A.W. VINCENT TRUST  
P.O. BOX 235  
ARNETT OK 73832

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

	Name	Depth	Name	Depth
1	DOUGLAS (UP TONKAWA)	7700	6	
2	TONKAWA (LOW TONKAWA)	7900	7	
3	COTTAGE GROVE	8100	8	
4	CLEVELAND	8332	9	
5			10	

Spacing Orders: 131723 Location Exception Orders: 611728 Increased Density Orders: 611727  
Pending CD Numbers: 201303772 Special Orders:

Total Depth: 13100 Ground Elevation: 2510 **Surface Casing: 910** Depth to base of Treatable Water-Bearing FM: 660

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: OGALLALA

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: 13-23479

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: OGALLALA

HORIZONTAL HOLE 1

Sec 27 Twp 20N Rge 26W County ELLIS
Spot Location of End Point: C S2 SE SE
Feet From: SOUTH 1/4 Section Line: 330
Feet From: EAST 1/4 Section Line: 660
Depth of Deviation: 7584
Radius of Turn: 780
Direction: 360
Total Length: 4424
Measured Total Depth: 13100
True Vertical Depth: 8364
End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Table with 2 columns: Category, Description. Rows include INCREASED DENSITY - 611727, LOCATION EXCEPTION - 611728, MEMO, PENDING CD - 201303772, and SPACING - 131723.

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