

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

API NUMBER: 129 23866

Approval Date: 08/27/2013  
Expiration Date: 02/27/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 22 Twp: 15N Rge: 26W

County: ROGER MILLS

SPOT LOCATION:  SW  SW  SE  SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 230 1550

Lease Name: AVA STATE USA 22-15-26

Well No: 1H

Well will be 230 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

WHEELER LEGACY WEALTH TRUST  
6200 S. TRAVIS ST.  
AMARILLO TX 79118

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

Name	Depth	Name	Depth
1 CLEVELAND	10053	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 148272

Location Exception Orders: 614861

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 15000

Ground Elevation: 2212

**Surface Casing: 470**

Depth to base of Treatable Water-Bearing FM: 220

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

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

PERMIT NO: 13-24122

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: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

HORIZONTAL HOLE 1

Sec 22 Twp 15N Rge 26W County ROGER MILLS

Spot Location of End Point: NW NW NE NW

Feet From: NORTH 1/4 Section Line: 200

Feet From: WEST 1/4 Section Line: 1550

Depth of Deviation: 9307

Radius of Turn: 780

Direction: 360

Total Length: 4468

Measured Total Depth: 15000

True Vertical Depth: 10220

End Point Location from Lease,  
Unit, or Property Line: 200

Notes:

Category

Description

LOCATION EXCEPTION - 614861

8/27/2013 - G75 - (I.O.) 22-15N-26W  
X148272 CLVD  
COMPL. INT. NCT 330 FSL, NCT 330 FNL, NCT 1320 FWL  
CHESAPEAKE OP., INC.  
8-14-2013

MEMO

8/22/2013 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED, WASHITA RIVER); PIT 2  
- OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

SPACING - 148272

8/27/2013 - G75 - (640) 22-15N-26W  
EXT 98946/144205 CLVD