

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

API NUMBER: 007 25643

Approval Date: 10/30/2013  
Expiration Date: 04/30/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 35 Twp: 1N Rge: 20ECM County: BEAVER

SPOT LOCATION:  N2  N2  NW  NW FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 250 660

Lease Name: THOMAS Well No: 4H 26-35 Well will be 250 feet from nearest unit or lease boundary.

Operator Name: CHAPARRAL ENERGY LLC Telephone: 4054264481 OTC/OCC Number: 16896 0

CHAPARRAL ENERGY LLC  
701 CEDAR LAKE BLVD  
OKLAHOMA CITY, OK 73114-7800

RANDY STEED  
PO BOX 665  
JUSTIN TX 73247

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

Name	Depth	Name	Depth
1 MARMATON	6300	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 612432

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201306226  
201306225

Special Orders:

Total Depth: 11906

Ground Elevation: 2904

**Surface Casing: 670**

Depth to base of Treatable Water-Bearing FM: 420

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: 50000 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.

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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.

HORIZONTAL HOLE 1

Sec 35 Twp 1N Rge 20E County BEAVER

Spot Location of End Point: SE SW SW SW

Feet From: SOUTH 1/4 Section Line: 200

Feet From: WEST 1/4 Section Line: 550

Depth of Deviation: 6300

Radius of Turn: 360

Direction: 185

Total Length: 5094

Measured Total Depth: 11906

True Vertical Depth: 6812

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

Additional Surface Owner	Address	City, State, Zip
DAN STEED	PO BOX 281	GROOM, TX 79039
VAN STEED	3118 CORRINA DR.	RANCO PALO VERDES, CA 90275

Notes:

Category	Description
PENDING CD - 201306225	10/30/2013 - G30 - W2 35-1N-20ECM X612432 MRMN 3 WELLS NO OP. NAMED REC 10/14/13 (LEAVITT)
PENDING CD - 201306226	10/30/2013 - G30 - W2 26 & W2 35-1N-20ECM X612432 MRMN, OTHERS COMP. INT. NCT 4950 FNL, NCT 500 FWL, NCT 165 FSL NO OP. NAMED REC 10/14/13 (LEAVITT)
SPACING - 612432	10/30/2013 - G30 - (640 HOR) W2 26 & W2 35-1N-20ECM EXT 610658 MRMN, OTHERS POE TO BHL NCT 660' FB (COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS; SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS)