

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

API NUMBER: 007 25644

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

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 1N Rge: 20ECM County: BEAVER

SPOT LOCATION: NW SW SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 350 300

Lease Name: ANDERSON Well No: 4H 27-34 Well will be 300 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

CHAPARRAL REAL ESTATE, LLC
701 CEDAR LAKE BLVD.
OKLAHOMA CITY OK 73114

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

Name	Depth	Name	Depth
1 MARMATON	6236	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 610658

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201306448
20136449

Special Orders:

Total Depth: 11600

Ground Elevation: 2945

Surface Casing: 2000

Depth to base of Treatable Water-Bearing FM: 410

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 34 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: 6236

Radius of Turn: 550

Direction: 180

Total Length: 5092

Measured Total Depth: 11600

True Vertical Depth: 6786

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

Notes:

Category	Description
DEEP SURFACE CASING	10/30/2013 - G71 - APPROVED CONTINGENT ON NOTIFYING OCC FIELD STAFF IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
PENDING CD - 201306448	10/30/2013 - G30 - W2 34-1N-20ECM X610658 MRMN 1 WELL NO OP. NAMED REC 10/21/13 (M.PORTER)
PENDING CD - 20136449	10/30/2013 - G30 - W2 27 & W2 34-1N-20ECM X610658 MRMN COMP. INT. NCT 4950 FNL, NCT 500 FWL, NCT 165 FSL NO OP. NAMED REC 10/21/13 (M.PORTER)
SPACING - 610658	10/30/2013 - G30 - (640 HOR) W2 27 & W2 34-1N-20ECM EXT 607552 MRMN, OTHERS POE TO BHL NCT 660' FB

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.