

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

API NUMBER: 129 23917

Approval Date: 02/07/2014
Expiration Date: 08/07/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 26 Twp: 14N Rge: 24W County: ROGER MILLS
SPOT LOCATION: SE SE SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 260 1560

Lease Name: AUGUSTUS 26-14-24 Well No: 1H Well will be 260 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

DWAYNE JOE AND JURETTA ANNE ROARK
P.O. BOX 443
CHEYENNE OK 73628

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

	Name	Depth	Name	Depth
1	TONKAWA	8931	6	
2	COTTAGE GROVE	9588	7	
3	CLEVELAND	10500	8	
4	MARMATON	11000	9	
5			10	

Spacing Orders: 576469

Location Exception Orders: 618655

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 16150

Ground Elevation: 2079

Surface Casing: 820

Depth to base of Treatable Water-Bearing FM: 570

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: CLOUD CHIEF

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 14-26393

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: 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: CLOUD CHIEF

HORIZONTAL HOLE 1

Sec 26 Twp 14N Rge 24W County ROGER MILLS

Spot Location of End Point: NE NW NE NE

Feet From: NORTH 1/4 Section Line: 100

Feet From: EAST 1/4 Section Line: 880

Depth of Deviation: 10630

Radius of Turn: 780

Direction: 360

Total Length: 4428

Measured Total Depth: 16150

True Vertical Depth: 11410

End Point Location from Lease,
Unit, or Property Line: 100

Notes:

Category

Description

LOCATION EXCEPTION - 618655

2/7/2014 - G30 - (I.O.) 26-14N-24W
X576469 CLVD, TNKW, CGGV, MRMN
COMP. INT. NCT 300 FNL, NCT 300 FSL, NCT 500 FEL
CHESAPEAKE OPERATING, INC.
12/2/13

MEMO

2/7/2014 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM
RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 576469

2/7/2014 - G30 - (640) 26-14N-24W
EXT 564064 CGGV, CLVD, MRMN
EXT 537511 TNKW

WATERSHED STRUCTURE

2/7/2014 - G71 - WELL WITHIN 1/2 MILE OF AN OKLAHOMA CONSERVATION COMMISSION
WATERSHED STRUCTURE. CONTACT THE LOCAL CONSERVATION DISTRICT OFFICE AT (580)
497-3413 PRIOR TO DRILLING