

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

API NUMBER: 007 25673

Approval Date: 03/19/2014

Expiration Date: 09/19/2014

Horizontal Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 34 Twp: 2N Rge: 21ECM County: BEAVER

SPOT LOCATION: S2 N2 NE NE FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 350 660

Lease Name: JAMES

Well No: 1H-27

Well will be 350 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

GREG ALAN JAMES
RT #2, BOC 72A
BALKO OK 73931-

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

Name	Depth	Name	Depth
1 MARMATON	6320	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 621797

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201400438

Special Orders:

Total Depth: 11400

Ground Elevation: 2902

Surface Casing: 2000

Depth to base of Treatable Water-Bearing FM: 320

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: 8000 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 27 Twp 2N Rge 21E County BEAVER

Spot Location of End Point: N2 N2 NE NE

Feet From: NORTH 1/4 Section Line: 200

Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 6320

Radius of Turn: 715

Direction: 360

Total Length: 4917

Measured Total Depth: 11400

True Vertical Depth: 7035

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

Notes:

Category	Description
DEEP SURFACE CASING	3/19/2014 - 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 - 201400438	3/19/2014 - G30 - 27-2N-21ECM X621797 MRMN COMP. INT. NCT 165 FSL, NCT 165 FNL, NCT 500 FEL NO OP. NAMED REC 2/7/14 (M.PORTER)
SPACING - 621797	3/19/2014 - G30 - (640 HOR) 27-2N-21ECM EXT 613020 MRMN POE TO BHL NLT 660' FB

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007 25673 JAMES 1H-27