

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

API NUMBER: 103 24653

Approval Date: 04/23/2014
Expiration Date: 10/23/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 22N Rge: 1W

County: NOBLE

SPOT LOCATION: SW SW SE SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 250 1060

Lease Name: PENGUIN

Well No: 1MH-26

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

MARION LEE JEROME ETUX
17901 CR 110
PERRY OK 73077

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

Name	Depth	Name	Depth
1	MISSISSIPPIAN	4678	6
2			7
3			8
4			9
5			10

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201402336
201402335

Special Orders:

Total Depth: 9595

Ground Elevation: 1023

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 150

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: 5000 Average: 3000

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: WELLINGTON

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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 26 Twp 22N Rge 1W County NOBLE

Spot Location of End Point: S2 S2 SE SE

Feet From: SOUTH 1/4 Section Line: 200

Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 4678

Radius of Turn: 715

Direction: 360

Total Length: 4917

Measured Total Depth: 9595

True Vertical Depth: 5393

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

Notes:

Category	Description
DEEP SURFACE CASING	4/18/2014 - 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 - 201402335	4/18/2014 - G30 - (640)(HOR) 26-22N-1W EST MSSP, OTHER POE TO BHL NCT 660' FB (SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS; COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS) REC 4/21/14 (NORRIS)
PENDING CD - 201402336	4/18/2014 - G30 - (I.O.) 26-22N-1W X201402335 MSSP, OTHER 1ST PERF NCT 165 FSL, NCT 560 FEL LAST PERF NCT 165 FNL, NCT 560 FEL NO OP. NAMED REC 4/21/14 (NORRIS)

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.