

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

API NUMBER: 129 23945

Approval Date: 04/25/2014  
Expiration Date: 10/25/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 20 Twp: 16N Rge: 26W County: ROGER MILLS  
SPOT LOCATION:  SW  SW  SW  SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 300 2530

Lease Name: JYM 20-16-26 Well No: 1H Well will be 300 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

JOYCE MEEK  
16835 E. 810 ROAD  
DURHAM OK 73642

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

Name	Depth	Name	Depth
1 TONKAWA	8347	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 64766

Location Exception Orders: 621464

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 14500

Ground Elevation: 2292

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 580

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 25000 Average: 8000

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

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

PERMIT NO: 14-27007

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: 160000
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 AP/TE DEPOSIT
Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 20 Twp 16N Rge 26W County ROGER MILLS
Spot Location of End Point: N2 N2 N2 N2
Feet From: NORTH 1/4 Section Line: 200
Feet From: WEST 1/4 Section Line: 2640
Depth of Deviation: 8984
Radius of Turn: 780
Direction: 359
Total Length: 4424
Measured Total Depth: 14500
True Vertical Depth: 9764
End Point Location from Lease,
Unit, or Property Line: 200

Notes:

Table with 2 columns: Category, Description. Rows include DEEP SURFACE CASING, LOCATION EXCEPTION - 621464, MEMO, and SPACING - 64766.

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