

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

API NUMBER: 009 21930

Approval Date: 05/12/2014  
Expiration Date: 11/12/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 04 Twp: 10N Rge: 26W County: BECKHAM  
SPOT LOCATION:  NW  NE  NE  NE FEET FROM QUARTER: FROM NORTH FROM EAST  
SECTION LINES: 280 600

Lease Name: **VOLETA 4-10-26** Well No: **1H** Well will be **280** feet from nearest unit or lease boundary.  
Operator Name: **CHESAPEAKE OPERATING INC** Telephone: 4059358143; 4059358 OTC/OCC Number: 17441 0

CHESAPEAKE OPERATING INC  
PO BOX 18496  
OKLAHOMA CITY, OK 73154-0496

EUGENE MCENTIRE  
10595 N. 1750 RD.  
SWEETWATER OK 73666

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

	Name	Depth	Name	Depth
1	PERMIAN LOWER(CHASE GP & BROWN DOLO)	11500	6	
2	VIRGIL	12356	7	
3	GRANITE WASH LOW (DES MOINES)	12696	8	
4			9	
5			10	

Spacing Orders: 157235 Location Exception Orders: 623659 Increased Density Orders: 622814

Pending CD Numbers: Special Orders:

Total Depth: 17500 Ground Elevation: 2204 **Surface Casing: 430** Depth to base of Treatable Water-Bearing FM: 180

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: 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

Approved Method for disposal of Drilling Fluids:

- A. Evaporation/dewater and backfilling of reserve pit.
- D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-27066
- 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 04 Twp 10N Rge 26W County BECKHAM
Spot Location of End Point: SW SW SE SE
Feet From: SOUTH 1/4 Section Line: 100
Feet From: EAST 1/4 Section Line: 1285
Depth of Deviation: 11909
Radius of Turn: 780
Direction: 188
Total Length: 4366
Measured Total Depth: 17500
True Vertical Depth: 12696
End Point Location from Lease,
Unit, or Property Line: 100

Notes:

Table with 2 columns: Category and Description. Contains notes for INCREASED DENSITY, LOCATION EXCEPTION, MEMO, and SPACING.

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