

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

API NUMBER: 045 23475

Approval Date: 05/16/2014

Expiration Date: 11/16/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 32 Twp: 19N Rge: 26W

County: ELLIS

SPOT LOCATION: ☐ SW ☐ SW ☐ SE ☐ SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 230 1000

Lease Name: RIPPSTEIN 32-19-26

Well No: 1H

Well will be 230 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

JACK WILSON
134 JUNIPER LANE
BOERNE TX 78006

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

| | Name | Depth | Name | Depth |
|---|---------------|-------|------|-------|
| 1 | DOUGLAS | 6846 | 6 | |
| 2 | TONKAWA | 7507 | 7 | |
| 3 | COTTAGE GROVE | 8355 | 8 | |
| 4 | CLEVELAND | 8680 | 9 | |
| 5 | MARMATON | 8909 | 10 | |

Spacing Orders: 100596
105527
599096

Location Exception Orders: 624439

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 16500

Ground Elevation: 2407

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 450

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 BED AQUIFER

Pit Location Formation: OGALLALA

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

PERMIT NO: 14-27240

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 BED AQUIFER

Pit Location Formation: OGALLALA

HORIZONTAL HOLE 1

Sec 29 Twp 19N Rge 26W County ELLIS

Spot Location of End Point: W2 NW NE SE

Feet From: SOUTH 1/4 Section Line: 2310

Feet From: EAST 1/4 Section Line: 1000

Depth of Deviation: 10697

Radius of Turn: 780

Direction: 360

Total Length: 4711

Measured Total Depth: 16500

True Vertical Depth: 11477

End Point Location from Lease,
Unit, or Property Line: 1000

Notes:

Category

Description

DEEP SURFACE CASING

5/14/2014 - 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

LOCATION EXCEPTION - 624439

5/16/2014 - G72 - FRAC 32 & S2 FRAC 29-19N-26W
X 100596/105527 DGLS, TNKW, CGGV, CLVD;
X 599096 MRMN;
COMP INT. NCT 330 FNL NCT 560 FEL S2 FRAC 29;
NCT 330 FSL NCT 560 FEL FRAC 32;
CHK CLEVELAND TONKAWA, L.L.C., CHESAPEAKE OPERATING, INC;
4/24/2014

MEMO

5/14/2014 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 105527

5/16/2014 - G72 - (640)(IRR) FRAC 32 & S2 FRAC 29-19N-26W AND FRAC 20 & N2 29-19N-26W (TWO UNITS);
REFORM 100596 DGLS, TNKW, CGGV, CLVD, OTHERS;
REFORM OTHERS

SPACING - 100596

5/16/2014 - G72 - (640) 32 & 29-19N-26W (SEPARATE UNITS)
EST DGLS, TNKW, CGGV, CLVD;
EXT OTHERS

SPACING - 599096

5/16/2014 - G72 - (640)(IRR) FRAC 32 & S2 FRAC 29-19N-26W
EST MRMN

This permit does not address the right of entry or settlement of surface damages.

045 23475 RIPPSTEIN 32-19-26 1H

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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.