

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

API NUMBER: 153 22429 B

Approval Date: 06/05/2014
Expiration Date: 12/05/2014

Straight Hole Oil & Gas

PERMIT TO RECOMPLETE

WELL LOCATION: Sec: 25 Twp: 22N Rge: 17W County: WOODWARD
SPOT LOCATION: E2 SW NW NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 990 2145

Lease Name: DERR Well No: 1-25 Well will be 990 feet from nearest unit or lease boundary.
Operator Name: CHESAPEAKE OPERATING INC Telephone: 4059358143; 4059358 OCC/OCC Number: 17441 0

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

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

| Name | Depth | Name | Depth |
|----------------|-------|------|-------|
| 1 CHEROKEE | 7080 | 6 | |
| 2 CHESTER LIME | 7242 | 7 | |
| 3 | | 8 | |
| 4 | | 9 | |
| 5 | | 10 | |

Spacing Orders: 35186 Location Exception Orders: 463571 Increased Density Orders: 624580
107643

Pending CD Numbers: Special Orders:

Total Depth: 7550 Ground Elevation: 1773 Surface Casing: 1052 IP Depth to base of Treatable Water-Bearing FM: 140

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: No

Approved Method for disposal of Drilling Fluids:

Notes:

| Category | Description |
|----------------------------|--|
| FRAC FOCUS | 4/29/2014 - G71 - THE REQUIREMENT FOR CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS WILL BE EXTENDED TO INCLUDE ALL NON-HORIZONTAL WELLS FOR HYDRAULIC FRACTURING OPERATIONS BEGINNING JANUARY 1, 2014. REFER TO OCC RULE 165:10-3-10 FOR COMPLIANCE REQUIREMENTS. PLEASE REPORT DIRECTLY TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM |
| INCREASED DENSITY - 624580 | 6/4/2014 - G75 - (E.O.) 25-22N-17W X35186 CRLM 1 WELL (DERR 1-25) CHESAPEAKE OP., INC. 4-28-2014 |

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.

| Category | Description |
|-----------------------------|---|
| LOCATION EXCEPTION - 463571 | 6/4/2014 - G75 - 25-22N-17W X35186 CSTR, OTHER ** X107643 CHRK, OTHERS 990 FNL, 2145 FEL CHESAPEAKE OP., INC. 5-15-2002 (WELL SPUD 6-3-2002) |
| SPACING - 107643 | ** S/B X35186 CRLM; 6/4/2014 - G75 - (640) 25-22N-17W EXT 81681 CHRK, OTHER EST OTHERS |
| SPACING - 35186 | 6/4/2014 - G75 - (640) 25-22N-17W EST CRLM, OTHER |

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