

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

API NUMBER: 129 24001

Approval Date: 09/11/2014

Expiration Date: 03/11/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 15N Rge: 26W

County: ROGER MILLS

SPOT LOCATION:

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 240 660

Lease Name: WASHITA RIVER 16-15-26

Well No: 2H

Well will be 240 feet from nearest unit or lease boundary.

Operator Name: CHESAPEAKE OPERATING LLC

Telephone: 4059358143; 4059358

OTC/OCC Number: 17441 0

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

WASHITA RIVER ENTERPRISES, L.L.C.  
P.O. BOX 3417  
LITTLE ROCK AR 72203

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

Name	Depth	Name	Depth
1 TONKAWA LOW	8707	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 144205

Location Exception Orders: 629775

Increased Density Orders: 629774

Pending CD Numbers:

Special Orders:

Total Depth: 13500

Ground Elevation: 2370

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 430

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 BED AQUIFER

Pit Location Formation: OGALLALA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 14-28344

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 16 Twp 15N Rge 26W County ROGER MILLS

Spot Location of End Point: S2 S2 SW SW

Feet From: SOUTH 1/4 Section Line: 200

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 7944

Radius of Turn: 780

Direction: 180

Total Length: 4331

Measured Total Depth: 13500

True Vertical Depth: 8724

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

Notes:

Category

Description

DEEP SURFACE CASING

9/11/2014 - G76 - 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

INCREASED DENSITY - 629774

9/11/2014 - G91 - 16-15N-26W  
X 144205 TNKWL  
1 WELL  
CHESAPEAKE OPERATING, LLC  
8-27-2014

LOCATION EXCEPTION - 629775

9/11/2014 - G91 - (I.O.) 16-15N-26W  
X 144205 TNKWL  
COMP. INT. NCT 300 FSL, NCT 300 FNL, NCT 500 FWL  
CHESAPEAKE OPERATING, LLC  
8-27-2014

MEMO

9/11/2014 - G76 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 144205

9/11/2014 - G91 - (640) 16-15N-26W  
EXT OTHERS  
EST OTHER  
EXT 60492/131617 TNKWL

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.

129 24001 WASHITA RIVER 16-15-26 2H