

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

API NUMBER: 149 21707

Approval Date: 09/11/2014
Expiration Date: 03/11/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 28 Twp: 11N Rge: 18W County: WASHITA
SPOT LOCATION: SE SE SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 290 2350

Lease Name: CARTER 28-11-18 Well No: 2H Well will be 290 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

LAWRENCE & CATHERINE CARTER
121 WEST QUAIL
COEDEL OK 73632

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

	Name	Depth	Name	Depth
1	BROWN DOLOMITE	8010	6	
2	DOUGLAS	8778	7	
3	HOXBAR	10431	8	
4	DES MOINES	12332	9	
5			10	

Spacing Orders: 226984 Location Exception Orders: 629464 Increased Density Orders: 629463

Pending CD Numbers:

Special Orders:

Total Depth: 17350 Ground Elevation: 1659 **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 OTHER HSA

Pit Location Formation: DOXEY

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

H. SEE MEMO

PERMIT NO: 14-28376

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 OTHER HSA
Pit Location Formation: DOXEY

HORIZONTAL HOLE 1

Sec 28 Twp 11N Rge 18W County WASHITA
Spot Location of End Point: NW NE NE NW
Feet From: NORTH 1/4 Section Line: 200
Feet From: WEST 1/4 Section Line: 2180
Depth of Deviation: 11822
Radius of Turn: 780
Direction: 358
Total Length: 4303
Measured Total Depth: 17350
True Vertical Depth: 12602
End Point Location from Lease,
Unit, or Property Line: 200

Notes:

Table with 2 columns: Category, Description. Rows include DEEP SURFACE CASING, INCREASED DENSITY - 629463, LOCATION EXCEPTION - 629464, MEMO, and SPACING - 226984.

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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.