API NUMBER: 045 23530

Oil & Gas

Horizontal Hole

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

Approval Date: 10/27/2014 04/27/2015 **Expiration Date**

330 feet from nearest unit or lease boundary.

17441 0

OTC/OCC Number:

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 19N Rge: 25W County: ELLIS FEET FROM QUARTER: FROM SPOT LOCATION: NORTH EAST N2 llnw NE SECTION LINES: 330 1980 Lease Name: T BRENT 5-19-25 Well No: 1H CHESAPEAKE OPERATING LLC Operator Telephone: 4059358143: 4059358 Name:

> T. BRENT IMKE ROUTE 2. BOX 71

Approved Method for disposal of Drilling Fluids:

H. SEE MEMO

A. Evaporation/dewater and backfilling of reserve pit.

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

Well will be

SHATTUCK OK 73858

CHESAPEAKE OPERATING LLC PO BOX 18496

OKLAHOMA CITY.

OK 73154-0496

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

Name Depth Name Depth TONKAWA 1 8200 6 2 CLEVELAND 8571 7 3 8 4 9 5 10 82943 Spacing Orders: Location Exception Orders: 615087 Increased Density Orders: 614132 628235

Pending CD Numbers: Special Orders:

Total Depth: 13650 Ground Elevation: 2488 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 580

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?

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

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.

PERMIT NO: 14-28663

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

OGALLALA

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

HORIZONTAL HOLE 1

Pit Location Formation:

Sec 05 Twp 19N Rge 25W County **ELLIS** SE Spot Location of End Point: С S2 SW Feet From: SOUTH 1/4 Section Line: 330 Feet From: EAST 1/4 Section Line: 1980

Depth of Deviation: 8097 Radius of Turn: 780 Direction: 180 Total Length: 4328

Measured Total Depth: 13650

True Vertical Depth: 8877

End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Category Description

DEEP SURFACE CASING 10/16/2014 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS

OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR

SURFACE CASING

LOCATION EXCEPTION - 615087 10/27/2014 - G75 - 5-19N-25W

X82943/614132 TNKW, CLVD

COMPL. INT. NCT 330 FNL, NCT 330 FSL, NCT 1320 FEL CHESAPEAKE OP., INC. (NOW CHESAPEAKE OP., L.L.C.)

8-21-2013

LOCATION EXCEPTION - 628235 10/27/2014 - G75 - EXTEND 615087 UNTIL 8-21-2015

MEMO 10/16/2014 - G71 - PIT 1 & 2 - CONCRETE-LINED PIT PER OPERATOR REQUEST; PIT 2 - OBM TO

VENDOR, OBM CUTTINGS PER DISTRICT

SPACING - 614132 10/27/2014 - G75 - 5-19N-25W

CLARIFY 82943 FOR DEPTH TO TOP AND BASE OF CLVD

SPACING - 82943 10/27/2014 - G75 - (640) 5-19N-25W

EST TNKW, CLVD, OTHERS