

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

API NUMBER: 045 23538

Approval Date: 11/19/2014
Expiration Date: 05/19/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 19 Twp: 18N Rge: 24W County: ELLIS
SPOT LOCATION: NE NW NE NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 260 1700

Lease Name: MDT 19-18-24 Well No: 1H Well will be 260 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

BRENDA GIFFIN
14078 W. 146TH ST. SOUTH
SAPULPA OK 74066

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

	Name	Depth	Name	Depth
1	TONKAWA	7695	6	
2	CLEVELAND	8913	7	
3	MARMATON	9280	8	
4			9	
5			10	

Spacing Orders: 593675 Location Exception Orders: 612699 Increased Density Orders: 612698
594168 626406 626405

Pending CD Numbers:

Special Orders:

Total Depth: 14050 Ground Elevation: 2255 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 520

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

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: 14-28876

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 AP/TE DEPOSIT
Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 19 Twp 18N Rge 24W County ELLIS
Spot Location of End Point: SE SW SE SW
Feet From: SOUTH 1/4 Section Line: 200
Feet From: WEST 1/4 Section Line: 1700
Depth of Deviation: 8504
Radius of Turn: 780
Direction: 180
Total Length: 4321
Measured Total Depth: 14050
True Vertical Depth: 9284
End Point Location from Lease,
Unit, or Property Line: 200

Notes:

Table with 2 columns: Category, Description. Rows include DEEP SURFACE CASING, INCREASED DENSITY - 612698, INCREASED DENSITY - 626405, LOCATION EXCEPTION - 612699, LOCATION EXCEPTION - 626406, and MEMO.

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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.

Category	Description
SPACING - 593675	11/18/2014 - G75 - (640) 19-18N-24W EXT 177603 CLVD, OTHERS EXT OTHER
SPACING - 594168	11/18/2014 - G75 - (640)(HOR) 19-18N-24W EST TNKW, MRMN, OTHERS POE TO BHL NCT 660' FB (SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS; COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS)

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