

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

API NUMBER: 045 23545

Approval Date: 12/03/2014
Expiration Date: 06/03/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 33 Twp: 20N Rge: 25W County: ELLIS
SPOT LOCATION: SW SE SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 220 860

Lease Name: PSHIGODA 33-20-25 Well No: 1H Well will be 220 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

RODNEY PSHIGODA
ROUTE 2, BOX 72
SHATTUCK OK 73858

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

Name	Depth	Name	Depth
1 CLEVELAND	8470	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 65115 Location Exception Orders: 621352 Increased Density Orders: 621351
597179

Pending CD Numbers: 201408438

Special Orders:

Total Depth: 13500 Ground Elevation: 2466 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 600

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: 14-29008
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: 200000
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 33 Twp 20N Rge 25W County ELLIS
Spot Location of End Point: N2 N2 NW NW
Feet From: NORTH 1/4 Section Line: 230
Feet From: WEST 1/4 Section Line: 660
Depth of Deviation: 7969
Radius of Turn: 780
Direction: 358
Total Length: 4306
Measured Total Depth: 13500
True Vertical Depth: 8749
End Point Location from Lease,
Unit, or Property Line: 230

Notes:

Table with 2 columns: Category, Description. Rows include DEEP SURFACE CASING, INCREASED DENSITY - 621351, LOCATION EXCEPTION - 621352, MEMO, PENDING CD - 201408438, and SPACING - 597179.

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Category

Description

SPACING - 65115

12/2/2014 - G75 - (640) 33-20N-25W
EXT 64184 CLVD, OTHERS

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