

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

API NUMBER: 129 24042

Approval Date: 01/09/2015  
Expiration Date: 07/09/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 25 Twp: 18N Rge: 25W County: ROGER MILLS  
SPOT LOCATION:  SW  SW  SE  SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 250 1532

Lease Name: WARCHIME 25-18-25 Well No: 1H Well will be 250 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

ROBERT N. & CORRINE LYNN SPURLIN  
218 W. WASHINGTON  
LAMONT OK 74643

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

	Name	Depth	Name	Depth
1	COTTAGE GROVE	8804	6	
2	CLEVELAND	8848	7	
3			8	
4			9	
5			10	

Spacing Orders: 100886

Location Exception Orders: 634834

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 14750

Ground Elevation: 2081

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 480

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

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

PERMIT NO: 14-29314

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: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

HORIZONTAL HOLE 1

Sec 25 Twp 18N Rge 25W County ELLIS

Spot Location of End Point: N2 N2 N2 NW

Feet From: NORTH 1/4 Section Line: 200

Feet From: WEST 1/4 Section Line: 1320

Depth of Deviation: 8507

Radius of Turn: 780

Direction: 357

Total Length: 5018

Measured Total Depth: 14750

True Vertical Depth: 9287

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

Notes:

Category	Description
DEEP SURFACE CASING	12/29/2014 - 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 - 634834	1/9/2015 - G75 - (I.O.) 25-18N-25W X100886 CGGV, CLVD, OTHER COMPL. INT. NCT 330 FSL, NCT 330 FNL, NCT 560 FWL CHESAPEAKE OP., L.L.C. 1-6-2015
MEMO	12/29/2014 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - CANADIAN RIVER); PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT
SPACING - 100886	1/9/2015 - G75 - (640) 25-18N-25W EXT 86890 CGGV, OTHERS EXT 82943/88225 CLVD EXT OTHERS EST OTHERS

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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.