PI NUMBER: 149 21713 A izontal Hole Oil & Gas	OKLAHOMA CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION P.O. BOX 52000 OKLAHOMA CITY, OK 73152-2000 (Rule 165:10-3-1)			Approval Date: Expiration Date:	12/22/2014 06/22/2015		
nend reason: CHANGE WELL NAME <u>AMEND PERMIT TO DRILL</u>							
WELL LOCATION: Sec: 13 Twp: 11N Rge: 1 SPOT LOCATION: SW SE SE SW	-	OUTH FROM	WEST 2150				
Lease Name: HULS USA 13-11-19	Well No: 2			Well will be	280 feet from near	est unit or lease boundary.	
Operator CHESAPEAKE OPERATING LLC Name:		Telephone: 40	59358143; 4059358		OTC/OCC Number:	17441 0	
CHESAPEAKE OPERATING LLC			HAYDEN A	USTIN			
PO BOX 18496			P.O. BOX 138				
OKLAHOMA CITY, OK	73154-0496		CANUTE	50	ОК	73626	
		J					
Formation(s) (Permit Valid for Listed Fo	rmations Only):						
Name	Depth		Name		Dep	oth	
1 DES MOINES	11500	6					
2		7					
3 4		8					
5		1	0				
Spacing Orders: 131149	Location Exception Or			Ir	Increased Density Orders: 632534		
Pending CD Numbers:				Special Orders:			
Total Depth: 17350 Ground Elevation: 1	741 Surface Ca	ising: 1500		Depth	to base of Treatable Wat	er-Bearing FM: 330	
Under Federal Jurisdiction: No	Fresh Water St	upply Well Drilled	No		Surface Water	used to Drill: No	
PIT 1 INFORMATION		Ap	proved Method for dis	posal of Drillir	ng Fluids:		
Type of Pit System: ON SITE	A. Evaporation/dewater and backfilling of reserve pit.						
Type of Mud System: WATER BASED							
Chlorides Max: 25000 Average: 8000	D. One time land application (REQUIRES PERMIT) H. SEE MEMO			PERMIT NO: 14-2920			
Is depth to top of ground water greater than 10ft below b	ase of pit? Y	H					
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: ELK CITY							

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
 BED AQUIFER

 Pit Location Formation:
 ELK CITY

HORIZONTAL HOLE 1

Sec 13 Twp 11N Rge 19W Cou Spot Location of End Point: NE NW N Feet From: NORTH 1/4 Section Line: Feet From: WEST 1/4 Section Line: Depth of Deviation: 11814 Radius of Turn: 780 Direction: 356 Total Length: 4311	,					
Measured Total Depth: 17350						
True Vertical Depth: 12594 End Point Location from Lease, Unit, or Property Line: 200						
	Additional Surface Owner	Address	City, State, Zip			
	JAMES MARLOW AUSTIN	1537 OAK TREE CIRCLE	WEATHERFORD, TX 76086			
Notes: Category	Description					
DEEP SURFACE CASING	12/9/2014 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING					
INCREASED DENSITY - 632534	12/22/2014 - G75 - 13-11N-19W X131149 DSMN 2 WELLS CHESAPEAKE OP., L.L.C. 11-3-2014					
LOCATION EXCEPTION - 631894	12/22/2014 - G75 - (I.O.) 13-11N-19W X131149 DSMN, OTHERS COMPL. INT. NCT 300 FSL, NCT 300 FNL, NCT 1320 FWL CHESAPEAKE OP., L.L.C. 10-15-2014					
MEMO	12/9/2014 - G71 - PIT 1 & 2 - CONCRETE-LINED PIT PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT					
SPACING - 131149	12/22/2014 - G75 - (640) 13-11N-19W EST DSMN, OTHERS					

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.