

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

API NUMBER: 093 25029

Approval Date: 07/13/2016
Expiration Date: 01/13/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 20N Rge: 12W County: MAJOR
SPOT LOCATION: S2 S2 S2 SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 275 1320

Lease Name: SCHOEPEL 16-20-12 Well No: 1H Well will be 275 feet from nearest unit or lease boundary.

Operator Name: CHESAPEAKE OPERATING LLC Telephone: 4059353425; 4059358 OTC/OCC Number: 17441 0

CHESAPEAKE OPERATING LLC
PO BOX 18496
OKLAHOMA CITY, OK 73154-0496

RHONDA KAY SCHOEPEL
P.O. BOX 190
FAIRVIEW OK 73737

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

Name	Depth	Name	Depth
1 MISSISSIPPI SOLID	7700	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 108819

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201602375
201602376

Special Orders:

Total Depth: 13500 Ground Elevation: 1397 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 540

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: 16-31412

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 16 Twp 20N Rge 12W County MAJOR
Spot Location of End Point: NE NW NW NW
Feet From: NORTH 1/4 Section Line: 50
Feet From: WEST 1/4 Section Line: 430
Depth of Deviation: 7791
Radius of Turn: 750
Direction: 351
Total Length: 4531
Measured Total Depth: 13500
True Vertical Depth: 8152
End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Table with 2 columns: Category and Description. Rows include DEEP SURFACE CASING, HYDRAULIC FRACTURING, INTERMEDIATE CASING, MEMO, PENDING CD - 201602375, and PENDING CD - 201602376.

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.

Category

Description

SPACING - 108819

7/8/2016 - G75 - (640) 16-20N-12W
EXT 83423/97877 MSSSD, OTHERS
EXT OTHER
EST OTHER

This permit does not address the right of entry or settlement of surface damages.
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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.

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

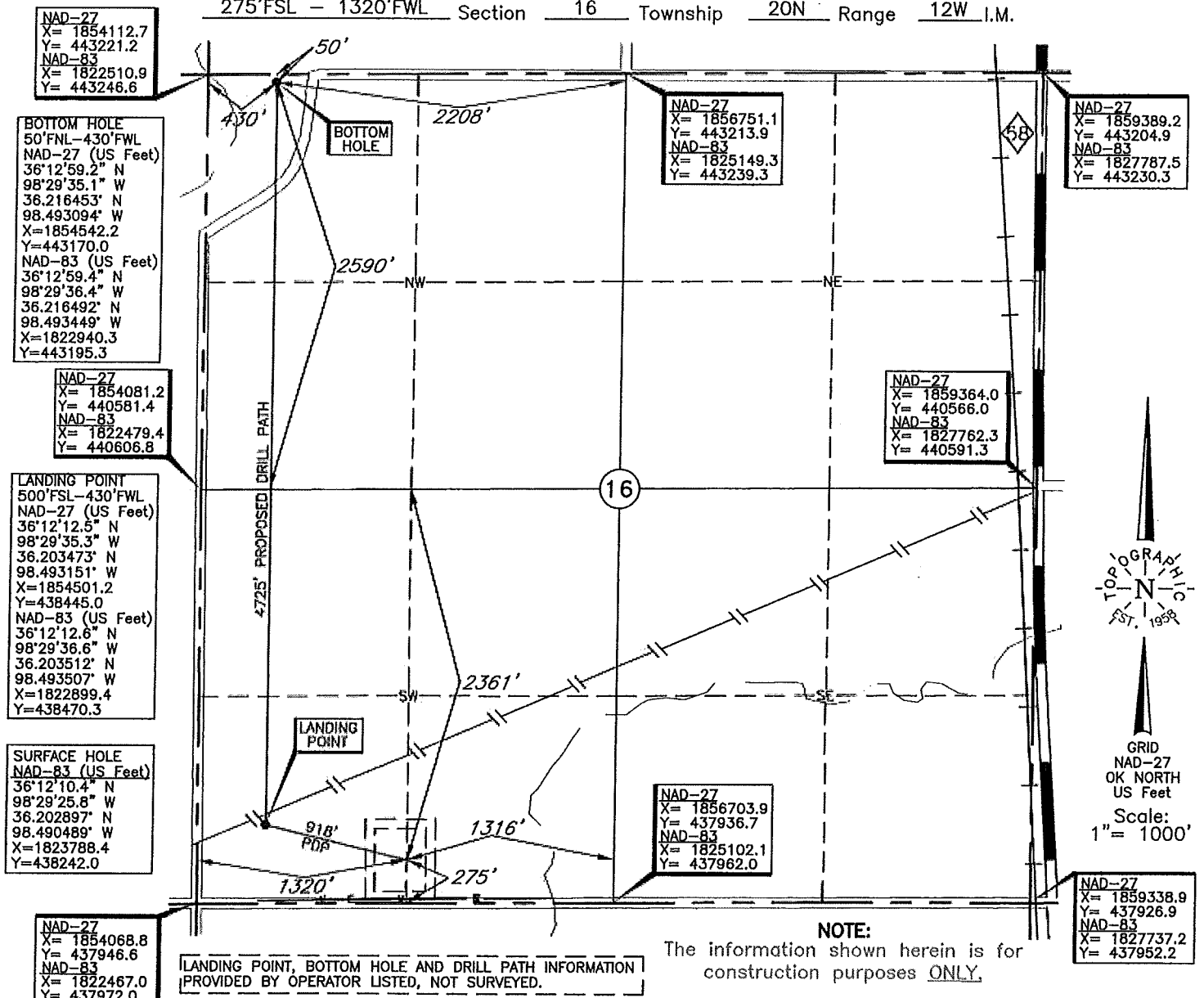
6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
 Certificate of Authorization No. 1293 LS

MAJOR

County, Oklahoma

API 093-25029

275' FSL - 1320' FWL Section 16 Township 20N Range 12W I.M.



LANDING POINT, BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.

NOTE:
The information shown herein is for construction purposes ONLY.

ELEVATION:
 1397' Gr. at Stake NAVD88
 1397' Gr. at Stake NGVD29

Operator: CHESAPEAKE OPERATING, L.L.C.
 Lease Name: SCHOEPEL 16-20-12 Well No.: 1H
 Topography & Vegetation Loc. fell in terraced wheat field, ±245' North of E-W fence, ±247' North of power line
 Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set None
 Best Accessibility to Location From South off county road
 Distance & Direction From Jct. US Hwy. 60 West and St. Hwy. 58, Southside of Fairview, OK,
go 4.0 mi. South on St. Hwy. 58, then ±1.0 mi. West to the SW. Cor. of Sec. 16-T20N-R12W

This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy

DATUM: NAD-27
 LAT: 36°12'10.3"N
 LONG: 98°29'24.5"W
 LAT: 36.202858° N
 LONG: 98.490134° W
 STATE PLANE COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 1855390.2
 Y: 438216.7

Date of Drawing: May 23, 2016
 Invoice # 260729 Date Staked: May 18, 2016 AC

CERTIFICATE:
 I, Thomas L. Howell an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein
Thomas L. Howell
 Oklahoma Lic. No. 1433

