API NUMBER: 011 23625

Oil & Gas

Horizontal Hole

Operator

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

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

PERMIT TO DRILL

WELL LOCATION:	Sec:	05	Twp:	19N	Rge:	12V	V County	r: BLAI	NE		
SPOT LOCATION:	SE	SE	s	SW	SE		FEET FROM QUARTER: SECTION LINES:	FROM	SOUTH 280	FROM	EAST 1505
Lease Name: F	IOSKII	NS 5-19-	-12				We	ell No:	1H		

Well will be 280 feet from nearest unit or lease boundary.

Name:

CHESAPEAKE OPERATING LLC

Telephone: 4059353425; 4059358 OTC/OCC Number: 17441 0

JESSIE H. HOSKINS

CHESAPEAKE OPERATING LLC PO BOX 18496

OKLAHOMA CITY. OK

73154-0496

RT. 1, BOX 171X LONGDALE OK 73755

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

	Name	Depth	Name	Depth
1	MISSISSIPPI LIME	8600	6	
2			7	
3			8	
4			9	
5			10	
Spacing Orders:	106317	Location Exception Orders:		Increased Density Orders:

Pending CD Numbers: 201602373 Special Orders:

201602374

Total Depth: 13750 Ground Elevation: 1490 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 40

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 not located in a Hydrologically Sensitive Area.

Category of Pit: 2

Liner not required for Category: 2
Pit Location is NON HSA
Pit Location Formation: BLAINE

A. Evaporation/dewater and backfilling of reserve pit.

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 16-31384

H. SEE MEMO

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 not located in a Hydrologically Sensitive Area.

Category of Pit: 3

Liner required for Category: 3
Pit Location is NON HSA
Pit Location Formation: BLAINE

HORIZONTAL HOLE 1

Sec 05 Twp 19N Rge 12W County BLAINE Spot Location of End Point: NW NF NF NF Feet From: NORTH 1/4 Section Line: 50 Feet From: EAST 1/4 Section Line: 430

Depth of Deviation: 8246 Radius of Turn: 693

Direction: 11

Total Length: 4415

Measured Total Depth: 13750

True Vertical Depth: 8607

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Category Description

DEEP SURFACE CASING 6/30/2016 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS

OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR

SURFACE CASING

HYDRAULIC FRACTURING 6/30/2016 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC

FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS

DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME

COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE.

INTERMEDIATE CASING 6/30/2016 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-

PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE

MORROW SERIES

MEMO 6/30/2016 - G71 - PIT 1 & 2 - CONCRETE-LINED PIT PER OPERATOR REQUEST; PIT 2 - OBM TO

VENDOR, OBM CUTTINGS PER DISTRICT

PENDING CD - 201602373 7/1/2016 - G75 - 5-19N-12W

X106317 MSSLM 1 WELL

1 WELL NO OP. NAMED

REC 7-11-2016 (P. PORTER)

PENDING CD - 201602374 7/1/2016 - G75 - (I.O.) 5-19N-12W

X106317 MSSLM

COMPL. INT. NCT 150 FSL, NCT 150 FNL, NCT 330 FEL

NO OP. NAMED

REC 7-11-2016 (P. PORTER)

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.

011 23625 HOSKINS 5-19-12 1H

Category

SPACING - 106317

Description

7/1/2016 - G75 - (640) 5-19N-12W EXT OTHERS EXT 101816 MSSLM, OTHERS

Oklahoma Lic. No. __ 1433

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