

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

API NUMBER: 073 25377

Approval Date: 09/20/2016  
Expiration Date: 03/20/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 02 Twp: 18N Rge: 6W

County: KINGFISHER

SPOT LOCATION:  SW  SW  SE  SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 240 1565

Lease Name: HILL 2-18-6

Well No: 2H

Well will be 240 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

PEARL HILL  
23026 E 660 RD  
HENNESSEY OK 73742

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

	Name	Depth	Name	Depth
1	BIG LIME	6160	6	
2	OSWEGO	6190	7	
3			8	
4			9	
5			10	

Spacing Orders: 646163

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201603916  
201603917

Special Orders:

Total Depth: 11500

Ground Elevation: 1163

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 190

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: 5000 Average: 3000

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: 16-31595

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 02 Twp 18N Rge 6W County KINGFISHER
Spot Location of End Point: C N2 N2 N2
Feet From: NORTH 1/4 Section Line: 330
Feet From: WEST 1/4 Section Line: 2640
Depth of Deviation: 5973
Radius of Turn: 560
Direction: 11
Total Length: 4647
Measured Total Depth: 11500
True Vertical Depth: 6334
End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Table with 2 columns: Category, Description. Rows include DEEP SURFACE CASING, HYDRAULIC FRACTURING, MEMO, PENDING CD - 201603916, and PENDING CD - 201603917.

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 - 646163

9/15/2016 - G64 - (640)(HOR) 2-18N-6W  
EXT 635144 BGLM, OSWG  
POE TO BHL NCT 660' FB  
(COEXIST SP. ORDER #50928 OSWG N2, SW4 & ORDER# 50928/52488 OSWG SE4; ORDER  
#54396 BGLM)

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.



September 12, 2016

Mr. Dan Walkup  
Oklahoma Corporation Commission  
Oil & Gas Conservation Division  
Jim Thorpe Building  
2101 N. Lincoln Blvd.  
P.O. Box 52000  
Oklahoma City, OK 73105-4993

Re: **Application for Intent to Drill**  
Well Name: Hill 2-18-6 2H  
Surface Location: Section 2 T18N R6W  
Kingfisher County, OK

Dear Mr. Dan Walkup:

Chesapeake Energy Corporation respectfully requests an exemption to the 250 feet below base of treatable water depth limitation as specified by Rule 165:10 3-4 as requested in order that the surface casing can be set at 1,500 feet. This deeper setting depth will provide for a higher degree of pressure control, help reduce sloughing of the formations found, and protect the water sands. The 1,500 feet of casing will be cemented with a sufficient amount of cement to circulate cement from 1,500 feet to the surface. This cement will provide sufficient protection for the freshwater sands from any contamination. Any lost circulation problems will be handled with the use of lost circulation material that will be at the drill site. If circulation is lost, the OCC District office will be immediately notified. It is estimated that the surface hole will be drilled in 24 hours.

Research of all wells in the nine-section area surrounding the proposed location found no instances of major lost circulation.

Sincerely,

M. Buddy Manuel  
*Drilling Engineer*

**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

KINGFISHER

County, Oklahoma

240'FSL - 1565FWL Section 2 Township 18N Range 6W I.M.

NAD-27  
 X 2059149.5  
 Y 390523.1  
 NAD-83  
 X 2027550.2  
 Y 390547.3

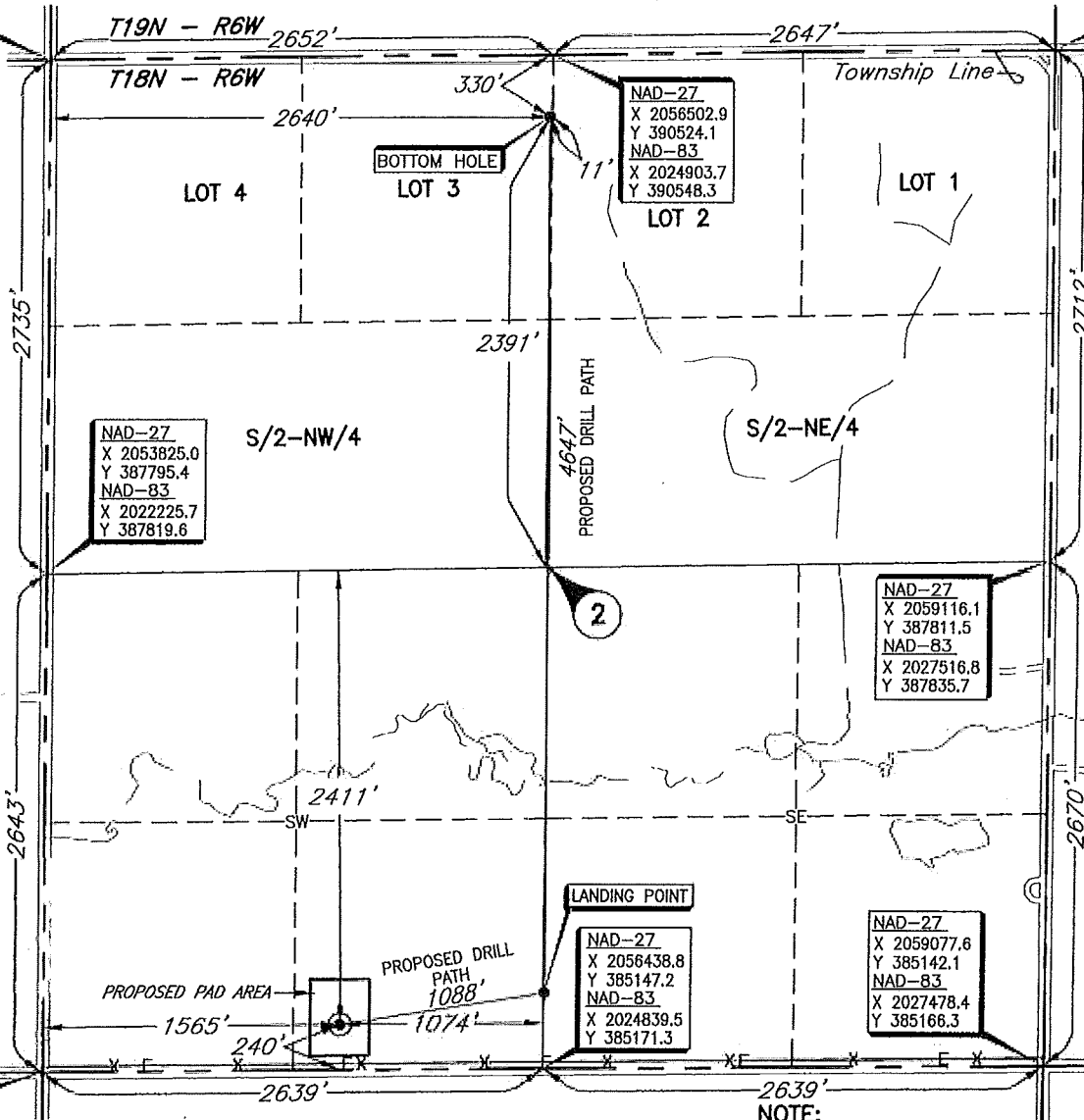
NAD-27  
 X 2053851.0  
 Y 390529.8  
 NAD-83  
 X 2022251.7  
 Y 390554.0

**BOTTOM HOLE**  
 330'FNL - 2640'FWL  
 NAD-27 (U.S. FEET)  
 36°04'18.4"N  
 97°48'31.9"W  
 36.071784"N  
 97.808864"W  
 X 2056487.9  
 Y 390194.1  
 NAD-83  
 36°04'18.6" N  
 97°48'33.1" W  
 36.071823" N  
 97.809195" W  
 X 2024888.0  
 Y 390217.5

**LANDING POINT**  
 400'FSL - 2640'FWL  
 NAD-27 (U.S. FEET)  
 36°03'32.5"N  
 97°48'32.6"W  
 36.059019"N  
 97.809044"W  
 X 2056443.8  
 Y 385547.1  
 NAD-83  
 36°03'32.6" N  
 97°48'33.8" W  
 36.059058" N  
 97.809375" W  
 X 2024844.0  
 Y 385570.5

**SURFACE HOLE**  
 NAD-83  
 36°03'31.1" N  
 97°48'46.9" W  
 36.058630"N  
 97.813019"W  
 X 2023767.4  
 Y 385412.6

NAD-27  
 X 2053799.9  
 Y 385152.2  
 NAD-83  
 X 2022200.6  
 Y 385176.4



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:**

1164' Gr. at Stake NAVD88  
 1163' Gr. at Stake NGVD29

Operator: CHESAPEAKE OPERATING, L.L.C.

Lease Name: HILL 2-18-6

Well No.: 2H

Topography & Vegetation Location fell in pasture, fence, O/H powerline ±209' South.

Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set None

Best Accessibility to Location From South off county road

Distance & Direction from Hwy Jct or Town From the Jct. of U.S. Hwy. 81 N-S and St. Hwy. 51 E-W in Hennessey, Oklahoma, go East East on St. Hwy. 51 for ±4.5 miles, then South ±4 miles to the SW Corner of Section 2, T18N - R6W.

Date of Drawing: August 31, 2016

Invoice # 264770 Date Staked: August 29, 2016 RKM

(This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy.)  
 DATUM: NAD-27  
 LAT: 36°03'30.9"N  
 LONG: 97°48'45.7"W  
 LAT: 36.058591"N  
 LONG: 97.812687"W  
 STATE PLANE COORDINATES: (US Feet)  
 ZONE: OK NORTH  
 X: 2055367.2  
 Y: 385389.2

**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

