API NUMBER: 073 25411

Oil & Gas

Horizontal Hole

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

Approval Date: 11/07/2016
Expiration Date: 05/07/2017

17441 0

## PERMIT TO DRILL

WELL LOCATION:	Sec:	31	Twp:	18N	Rge:	6W	County	: KING	FISHER		
SPOT LOCATION:	SW	SW	SE		SE		FEET FROM QUARTER:	FROM	SOUTH	FROM	EAST
							SECTION LINES:		258		1133
Lease Name: MORRIS 31-18-6						Well No: 1H		1H			

Well will be 258 feet from nearest unit or lease boundary.

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

CHESAPEAKE OPERATING LLC

PO BOX 18496

OKLAHOMA CITY, OK 73154-0496

RANDALL MORRIS FARRAR, MARK FARRAR AND STEVEN FARRAR

PO BOX 197

DOVER OK 73734

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

	Name	Depth	Name	Depth
1	BIG LIME	6350 6		
2	OSWEGO	6390 7		
3		8		
4		9		
5		10		
Spacing Orders:	655822	Location Exception Orders: 656121		Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 11800 Ground Elevation: 1098 Surface Casing: 460 Depth to base of Treatable Water-Bearing FM: 210

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?  $\quad \mbox{Y}$ 

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)

PERMIT NO: 16-31709

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 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 31 Twp 18N Rge 6W County KINGFISHER

Spot Location of End Point: C N2 N2 NE
Feet From: NORTH 1/4 Section Line: 330
Feet From: EAST 1/4 Section Line: 1320

Depth of Deviation: 6249 Radius of Turn: 500 Direction: 358

Total Length: 4460

Measured Total Depth: 11800

True Vertical Depth: 6610

End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Category Description

HYDRAULIC FRACTURING 10/24/2016 - 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.

LOCATION EXCEPTION - 656121 10/25/2016 - G64 - (I.O.) 31-18N-6W

X655822 BGLM, OSWG

COMPL. INT. NCT 330' FSL, NCT 330' FNL, NCT 660' FEL

CHESAPEAKE EXPLORATION, LLC

9-15-2016

MEMO 10/24/2016 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM

RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 655822 10/25/2016 - G64 - (640)(HOR) 31-18N-6W

EST BGLM, OSWG POE TO BHL NCT 660' FB

(COEXIST SP. ORDER #57462/57687 BGLM, OSWG)

SURFACE CASING 10/24/2016 - G71 - MIN. 300' PER ORDERS 23720/41036/42410