

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

API NUMBER: 073 25435

Approval Date: 11/23/2016
Expiration Date: 05/23/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 18N Rge: 6W

County: KINGFISHER

SPOT LOCATION: NE NE NW NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 242 1553

Lease Name: CAROLYN 30-18-6

Well No: 2H

Well will be 242 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

SANDY DALE FARMS
10929 N. 2870 RD.
DOVER OK 73734

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

Name	Depth	Name	Depth
1 OSWEGO	6520	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 630825

Location Exception Orders: 656885

Increased Density Orders: 657218

Pending CD Numbers:

Special Orders:

Total Depth: 12000

Ground Elevation: 1111

Surface Casing: 450

Depth to base of Treatable Water-Bearing FM: 200

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 16-31832

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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.

HORIZONTAL HOLE 1

Sec 30 Twp 18N Rge 6W County KINGFISHER

Spot Location of End Point: C S2 S2 S2

Feet From: SOUTH 1/4 Section Line: 330

Feet From: EAST 1/4 Section Line: 2640

Depth of Deviation: 6177

Radius of Turn: 620

Direction: 191

Total Length: 4850

Measured Total Depth: 12000

True Vertical Depth: 6538

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

Notes:

Category	Description
HYDRAULIC FRACTURING	11/22/2016 - 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.
INCREASED DENSITY - 657218	11/22/2016 - G64 - (I.O.) 30-18N-6W X630825 OSWG 2 WELLS CHESAPEAKE OPERATING, L.L.C. 10-24-2016
LOCATION EXCEPTION - 656885	11/22/2016 - G64 - (I.O.) 30-18N-6W X630825 OSWG COMPL. INT. NCT 330' FNL, NCT 330' FSL, NCT 1320' FEL, NCT 1320' FWL CHESAPEAKE OPERATING, L.L.C. 10-12-2016
SPACING - 630825	11/22/2016 - G64 - (640)(HOR) 30-18N-6W EST OSWG, OTHER POE TO BHL NCT 660' FB (COEXIST SP. ORDER 53420 OSWG)
SURFACE CASING	11/22/2016 - G71 - MIN. 300' PER ORDERS 23720/41036/42410