

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

API NUMBER: 011 23722

Approval Date: 01/11/2017
Expiration Date: 07/11/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 19N Rge: 12W County: BLAINE
SPOT LOCATION: NE SW SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 394 618

Lease Name: HOSKINS 5-19-12 Well No: 2H Well will be 394 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

JEFF H. HOSKINS
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: 654398

Pending CD Numbers: 201606126

Special Orders:

Total Depth: 13830

Ground Elevation: 1497

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

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: 17-31993

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 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: NE NW NW NW
Feet From: NORTH 1/4 Section Line: 50
Feet From: WEST 1/4 Section Line: 430
Depth of Deviation: 8271
Radius of Turn: 528
Direction: 358
Total Length: 4730
Measured Total Depth: 13830
True Vertical Depth: 8632
End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Table with 2 columns: Category, Description. Rows include COMPLETION INTERVAL, DEEP SURFACE CASING, HYDRAULIC FRACTURING, INCREASED DENSITY - 654398, INTERMEDIATE CASING, MEMO.

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 |
|------------------------|---|
| PENDING CD - 201606126 | 1/6/2017 - G64 - (E.O.) 5-19N-12W X106317 MSSLM COMPL. INT. NCT 150 FSL, NCT 150 FNL, NCT 330 FWL CHESAPEAKE OPERATING, L.L.C. REC. 1-9-2017 (DECKER) |
| SPACING - 106317 | 1/6/2017 - G64 - (640) 5-19N-12W EXT OTHERS EXT 101816 MSSLM, OTHERS |

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.

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

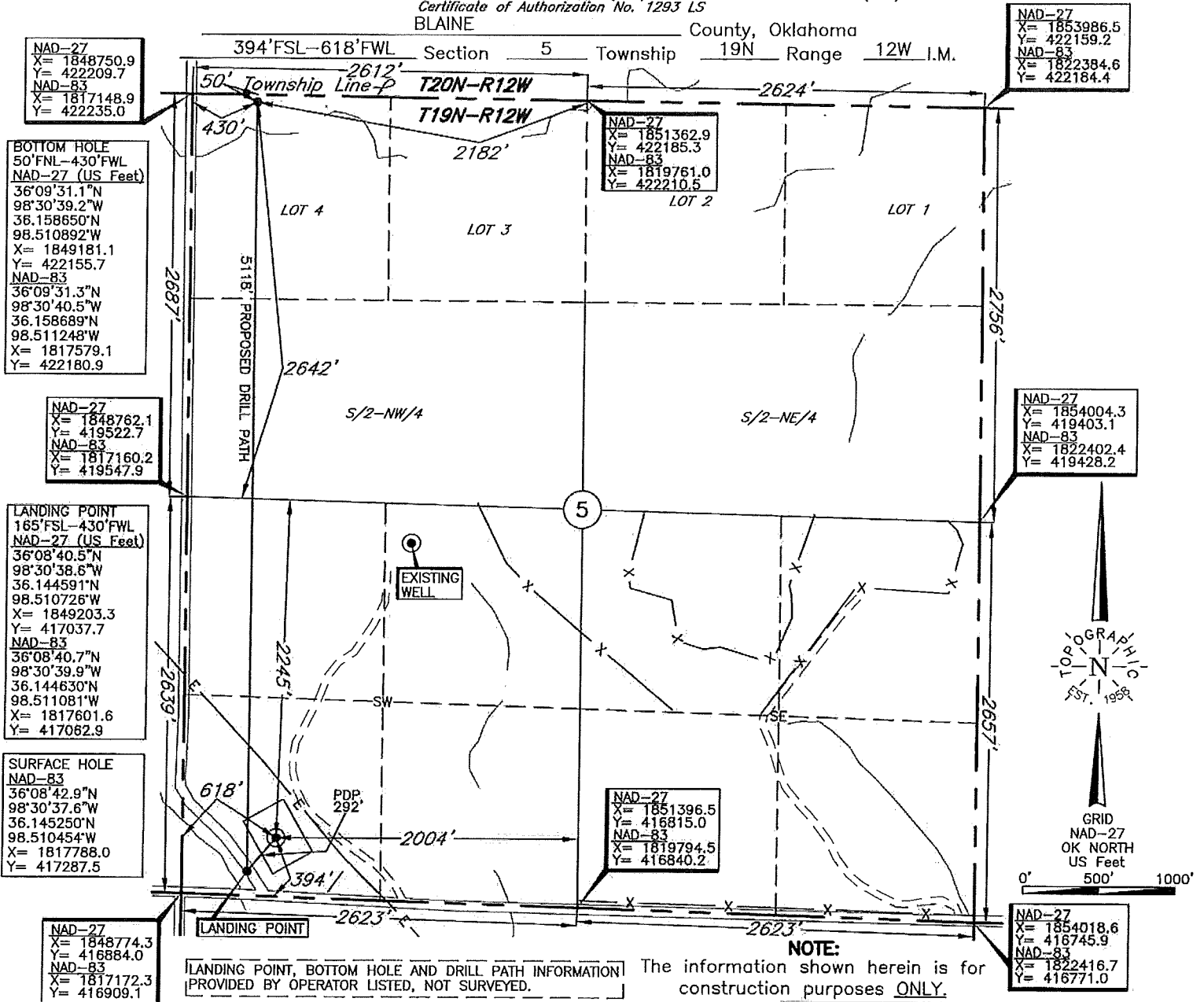
6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 • LOCAL (405) 843-4847 • OUT OF STATE (800) 654-3219

Certificate of Authorization No. 1293 LS

BLAINE

County, Oklahoma

394' FSL-618' FWL Section 5 Township 19N Range 12W I.M.



Operator: CHESAPEAKE OPERATING, L.L.C.

Lease Name: HOSKINS 5-19-12

Well No.: 2H

Topography & Vegetation Loc. fell in rolling hilly pasture; ±272' SW of NW-SE powerline; ±214' East of fence; ±492' NW of NE-SW pipeline

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 Jct. St. Hwy. 51 and St. Hwy. 51 A at Southard, OK, go ±5.5 mi. North on St. Hwy. 51 A, then 2.0 mi. West to the SW Cor. of Sec. 5-T19N-R12W

Date of Drawing: Dec. 29, 2016

Invoice # 269194 Date Staked: Dec. 28, 2016

TR

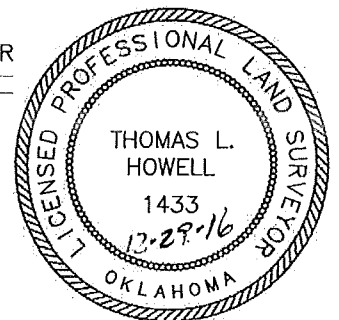
This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy.

DATUM: NAD-27
 LAT: 36°08'42.8"N
 LONG: 98°30'36.4"W
 LAT: 36.145210°N
 LONG: 98.510098°W
 STATE PLANE COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 1849389.9
 Y: 417262.3

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



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

ELEVATION:
1497' Gr. at Stake NGVD29
1497' Gr. at Stake NAVD88