

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

API NUMBER: 073 25528

Approval Date: 02/21/2017
Expiration Date: 08/21/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 18N Rge: 6W

County: KINGFISHER

SPOT LOCATION: SW SE SE SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 309 2098

Lease Name: SCHUELEIN 12-18-6

Well No: 2H

Well will be 309 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

LESTER AND PEARL L. HILL
23026 E 660 RD
HENNESSEY OK 73742

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

Name	Depth	Name	Depth
1 BIG LIME	6150	6	
2 OSWEGO	6160	7	
3		8	
4		9	
5		10	

Spacing Orders: 635144

Location Exception Orders: 657527

Increased Density Orders:

Pending CD Numbers: 201604276

Special Orders:

Total Depth: 12000

Ground Elevation: 1162

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: 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 BED AQUIFER

Pit Location Formation: SALT PLAINS

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 17-32103

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 12 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: WEST 1/4 Section Line: 2640

Depth of Deviation: 5917

Radius of Turn: 785

Direction: 175

Total Length: 4850

Measured Total Depth: 12000

True Vertical Depth: 6278

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

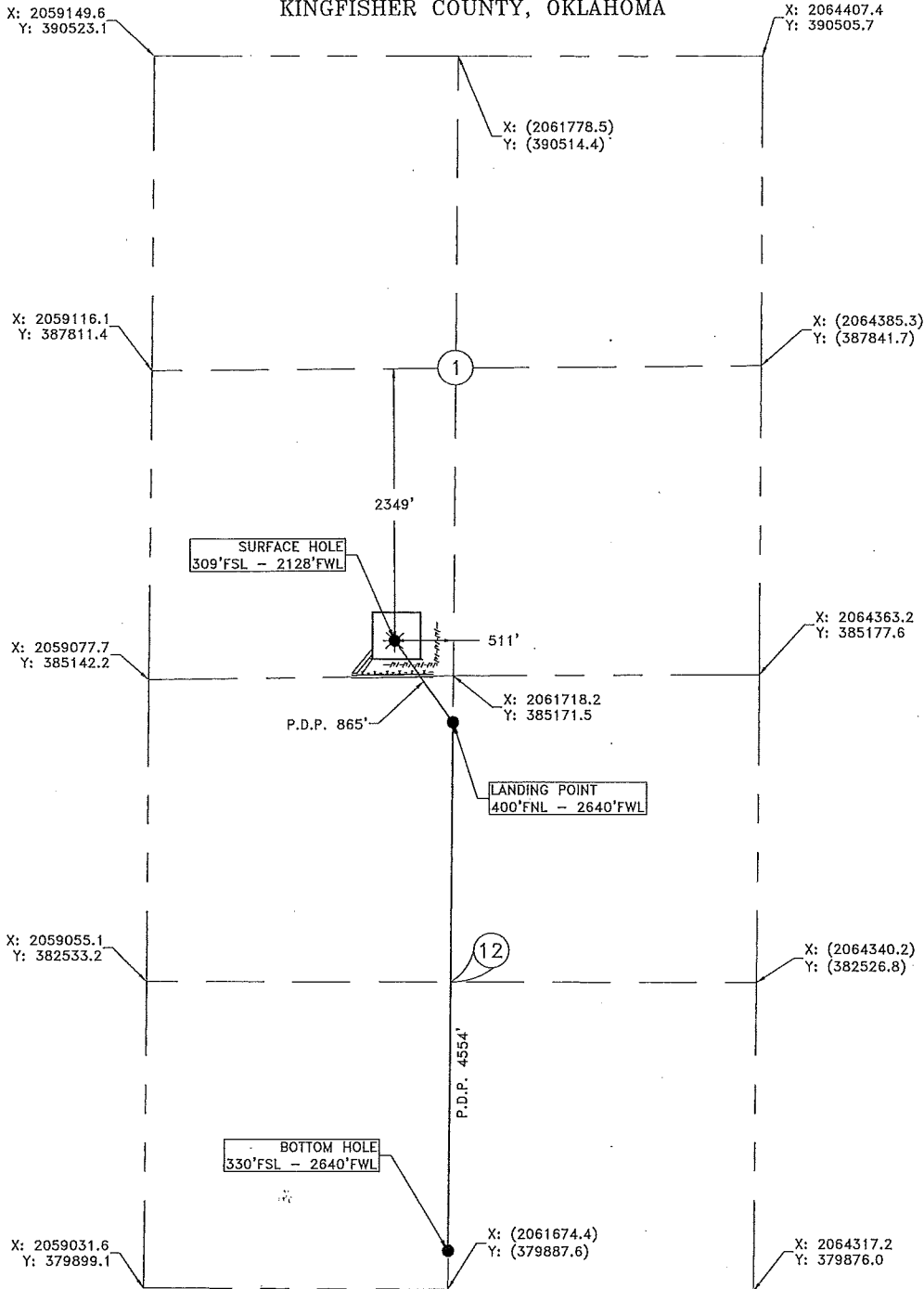
Notes:

Category	Description
DEEP SURFACE CASING	2/14/2017 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	2/14/2017 - 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 - 657527	2/16/2017 - G64 - (I.O.) 12-18N-6W X635144 BGLM, OSWG COMPL. INT. NCT 330' FNL, NCT 330' FSL, NCT 1320' FWL, NCT 1320' FEL CHESAPEAKE OPERATING, L.L.C. 11-2-2016
PENDING CD - 201604276	2/16/2017 - G64 - (E.O.) 12-18N-6W X635144 OSWG 2 WELLS CHESAPEAKE OPERATING, L.L.C. REC. 2-13-2017 (DECKER)
SPACING - 635144	2/16/2017 - G64 - (640)(HOR) 12-18N-6W EST BGLM, OSWG POE TO BHL NCT 660' FB (COEXIST SP. ORDER 54396 BGLM; ORDER 51905 OSWG)

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SECTIONS 1 AND 12, T 18 N - R 6 W, I.M.,
KINGFISHER COUNTY, OKLAHOMA

BEARINGS ARE GRID
OKLAHOMA SFC, NAD 27, NORTH ZONE



Operator: CHESAPEAKE OPERATING, L.L.C. Date Staked: 11/8/2016
 Lease Name: SCHUELEIN 12-18-6 Well No.: 2H Elevation: 1162'
 Topography and Vegetation: PASTURE
 Good Drill Site? YES Reference or Alt. Location Stakes Set: NONE
 Best Accessibility to Location: FROM COUNTY ROAD
 Distance and Direction from Hwy, Jct. or town: FROM HENNESSEY, GO SOUTH ON US. HWY. 81 FOR 2.5 MILES, GO EAST ON CO. RD. E0650 FOR 5.5 MILES, GO SOUTH ON CO. RD. N2920 FOR 1 MILE GO EAST ON CO. RD. E0660 .4 MILES, TURN NORTH INTO LOCATION

Fred Anthony Selesky
 FRED ANTHONY SELENSKY
 OKLAHOMA L.P.L.S. NO.: 1860
 DATE: 12-21-2016

NOTE:
 This is a plot of a proposed well location and does not represent a true boundary survey. The information shown hereon shall not be relied upon for the location or establishment of land boundary lines. All of the positions shown hereon have not been verified as being actual Section, Quarter or Property corners. Positions shown in (Parentheses) are based upon local occupation and improvements or calculated per proportional measurement and/or G.L.O. record distances. Review this plot and notify Gateway Services Group, LLC immediately of any possible discrepancy.

LEGEND
 SURFACE LOCATION *
 EXISTING WELL 3/4" SURFACE WELL/LANDING POINT ●
 PROPOSED DRILL FLAG
 EXISTING PIPELINE - - - - -
 ELECTRIC LINE - - - - -
 OVERHEAD POWER - - - - -
 FENCE - - - - -



Chesapeake Operating, L.L.C. Chesapeake ENERGY
 Gateway
 Gateway Services Group, LLC
 P.O. BOX 960
 WENKIN, OK 74655
 OFF: (405) 273-0541
 FAX: (405) 273-0580
 C.A. NO. 4091 (LS)
 EXP. DATE 6-30-2018

EXHIBIT "A" PRELIMINARY
 SCHUELEIN 12-18-6 2H
 309' FSL - 2128' FWL
 SECTIONS 1 & 12, T 18 N - R 6 W, I.M.,
 KINGFISHER COUNTY, OKLAHOMA

REV.	DWN.	DESCRIPTION	DATE
1	CLC	REMOVED IN	12/8/16
2	CLC	MOVED WELL HEADS	12/12/16

DRAWN BY: CLC DATE: 11/9/16 CHK'D: RLG
 GATEWAY NO.: 16-0638-204R2 SCALE: 1"=1000'
 PAD P/N#: 529380 WELL P/N#: 658688