

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

API NUMBER: 093 25056

Approval Date: 02/22/2017
Expiration Date: 08/22/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 26 Twp: 20N Rge: 12W County: MAJOR
SPOT LOCATION: SE SE SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 185 1400

Lease Name: CHINOOK 26-20-12 Well No: 3H Well will be 185 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

WAYNARD HASENFRATZ
15315 E. 770 RD.
KINGFISHER OK 73750

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

Name	Depth	Name	Depth
1 MISSISSIPPI SOLID	8100	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 234332

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201700312
201700315

Special Orders:

Total Depth: 13500 Ground Elevation: 1307 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 640

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: FLOWERPOT

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: 17-32086

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: FLOWERPOT

HORIZONTAL HOLE 1

Sec 26 Twp 20N Rge 12W County MAJOR
Spot Location of End Point: NE NE NW NE
Feet From: NORTH 1/4 Section Line: 50
Feet From: EAST 1/4 Section Line: 1535
Depth of Deviation: 7870
Radius of Turn: 573
Direction: 359
Total Length: 4730
Measured Total Depth: 13500
True Vertical Depth: 8120
End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Table with 2 columns: Category and Description. Rows include DEEP SURFACE CASING, HYDRAULIC FRACTURING, INTERMEDIATE CASING, MEMO, PENDING CD - 201700312, and PENDING CD - 201700315.

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 - 234332

2/22/2017 - G75 - (640) 26-20N-12W

EXT OTHER

EST OTHERS

EXT 83423 MSSSD, OTHERS

This permit does not address the right of entry or settlement of surface damages.

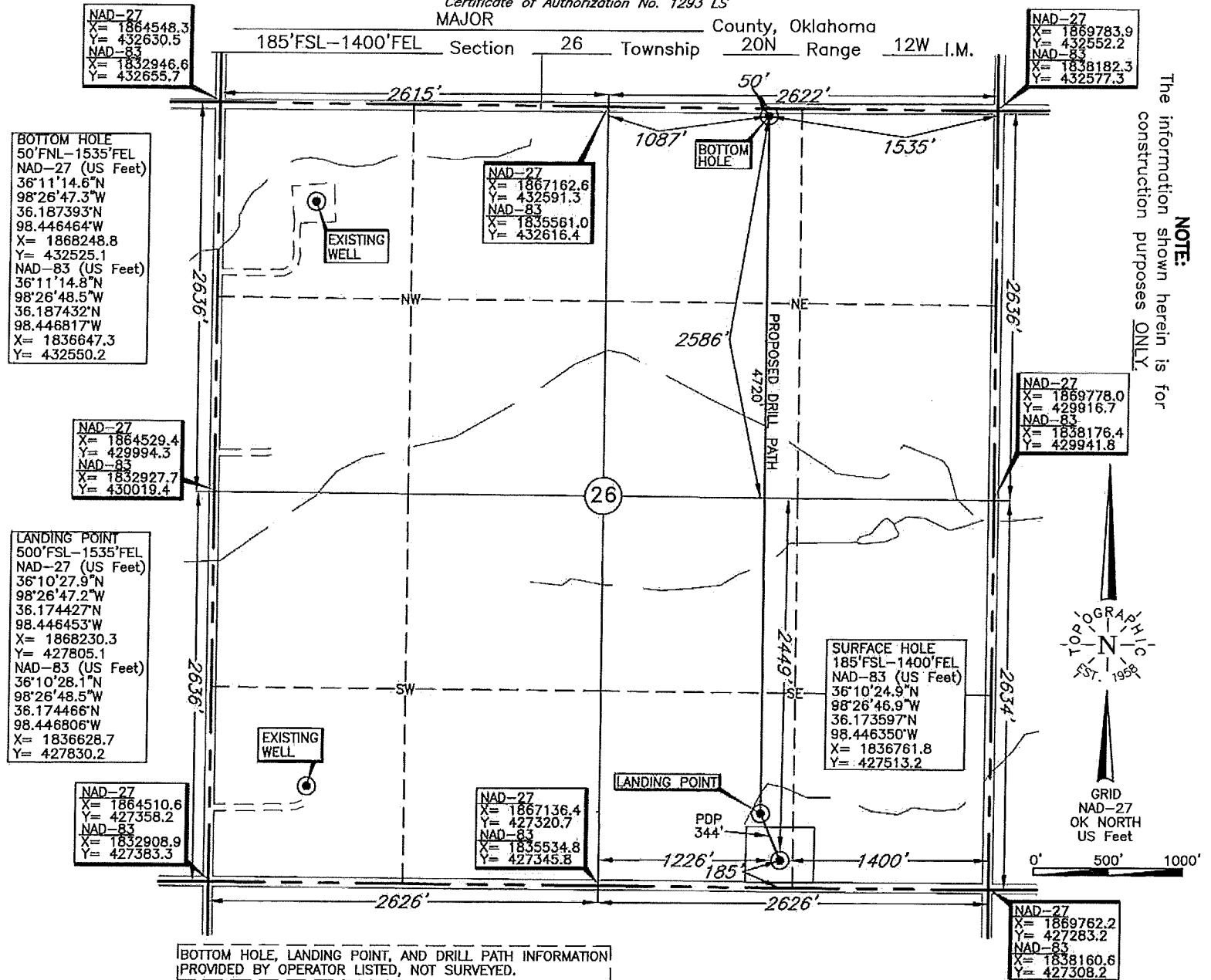
The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.

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

API 093-25056



BOTTOM HOLE, LANDING POINT, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.

ELEVATION:
 1307' Gr. at Stake NGVD29
 1308' Gr. at Stake NAVD88

Operator: CHESAPEAKE OPERATING, L.L.C.

Lease Name: CHINOOK 26-20-12

Well No.: 3H

Topography & Vegetation Loc. fell in level wheat field

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

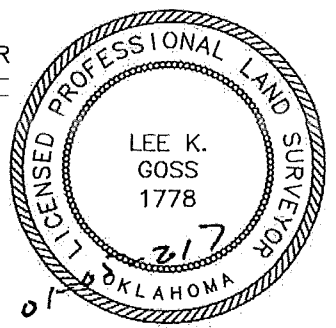
Best Accessibility to Location From South off county road

Distance & Direction from Hwy Jct or Town From the junction of St. Hwy. 58 and US Hwy. 60 in Fairview, OK, go ±6.0 mi. South on St. Hwy. 58, then ±2.0 mi. East, then ±1.0 mi South to the SE Cor. of Sec. 26-T20N-R12W

DATE: Dec. 27, 2016
 DATUM: NAD-27
 LAT: 36°10'24.8"N
 LONG: 98°26'45.6"W
 STATE PLANE COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 1868363.4
 Y: 427488.2

Invoice # 269105A Date Staked: Dec. 19, 2016 TR

CERTIFICATE:
 I, Lee K. Goss an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein.
 Oklahoma Lic. No. 1778



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