

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

API NUMBER: 045 23271

Approval Date: 11/02/2012
Expiration Date: 05/02/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 19 Twp: 21N Rge: 24W

County: ELLIS

SPOT LOCATION: N2 N2 NW NW

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 250 660

Lease Name: DW BITTMAN 19-21-24

Well No: 1H

Well will be 250 feet from nearest unit or lease boundary.

Operator Name: CHESAPEAKE OPERATING INC

Telephone: 4059357853

OTC/OCC Number: 17441 0

CHESAPEAKE OPERATING INC
P.O. Box 18496
OKLAHOMA CITY, OK 73154-0496

DENNIS W. AND KAREN BITTMAN
RURAL ROUTE 2, BOX 48
GAGE OK 73834

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

	Name	Depth	Name	Depth
1	DOUGLAS (UP TONKAWA)	6430	6	
2	DOUGLAS (LOW TONKAWA)	6600	7	
3	CLEVELAND	7585	8	
4			9	
5			10	

Spacing Orders: 234341
580260

Location Exception Orders: 603048

Increased Density Orders: 603047

Pending CD Numbers: 201205556

Special Orders:

Total Depth: 12939

Ground Elevation: 2201

Surface Casing: 740

Depth to base of Treatable Water-Bearing FM: 490

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: 5000

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: 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: 12-21774

H. SEE 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.

PIT 2 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: OIL BASED
Chlorides Max: 300000 Average: 200000
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 19 Twp 21N Rge 24W County ELLIS
Spot Location of End Point: C S2 SW SW
Feet From: SOUTH 1/4 Section Line: 330
Feet From: WEST 1/4 Section Line: 660
Depth of Deviation: 7427
Radius of Turn: 361
Direction: 180
Total Length: 4420
Measured Total Depth: 12939
True Vertical Depth: 7788
End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Table with 2 columns: Category and Description. Contains notes such as 'INCREASED DENSITY - 603047', 'LOCATION EXCEPTION - 603048', 'PENDING CD - 201205556', 'PITS 1 & 2', 'SPACING - 234341', and 'SPACING - 580260'.

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