

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

API NUMBER: 045 23303

Approval Date: 02/04/2013
Expiration Date: 08/04/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 19N Rge: 25W County: ELLIS
SPOT LOCATION: S2 S2 SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 230 1980

Lease Name: VV WINTERS 9-19-25 Well No: 1H Well will be 230 feet from nearest unit or lease boundary.

Operator Name: CHESAPEAKE OPERATING INC Telephone: 4059358143 OTC/OCC Number: 17441 0

CHESAPEAKE OPERATING INC
PO BOX 18496
OKLAHOMA CITY, OK 73154-0496

CONNIE BRUNE
RURAL ROUTE 2, BOX 67
SHATTUCK OK 73858

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

Name	Depth	Name	Depth
1 CHASE	4000	6 COTTAGE GROVE	7900
2 COUNCIL GROVE	4245	7 HOGSHOOTER	8280
3 BROWNVILLE /OKLA/	5110	8 CHECKERBOARD	8450
4 HOOVER	6800	9 CLEVELAND	8700
5 TONKAWA	7650	10 MARMATON	9100

Spacing Orders: 82943
204562
419405

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201300167
201300164

Special Orders:

Total Depth: 14200 Ground Elevation: 2443 **Surface Casing: 830** Depth to base of Treatable Water-Bearing FM: 580

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 BED AQUIFER

Pit Location Formation: OGALLALA

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: 13-22461

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 BED AQUIFER
Pit Location Formation: OGALLALA

HORIZONTAL HOLE 1

Sec 09 Twp 19N Rge 25W County ELLIS
Spot Location of End Point: C N2 NW NE
Feet From: NORTH 1/4 Section Line: 330
Feet From: EAST 1/4 Section Line: 1980
Depth of Deviation: 8643
Radius of Turn: 361
Direction: 360
Total Length: 4425
Measured Total Depth: 14200
True Vertical Depth: 9100
End Point Location from Lease,
Unit, or Property Line: 330

Table with 3 columns: Additional Surface Owner, Address, City, State, Zip. Row 1: MR2, LLC, 3001 UNITED FOUNDERS BOULEVARD, OKLAHOMA CITY, OK 73112

Notes:

Table with 2 columns: Category, Description. Rows include MEMO, PENDING CD - 201300164, PENDING CD - 201300167, SPACING - 204562, SPACING - 419405

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Category

Description

SPACING - 82943

1/25/2013 - G30 - (640) 9-19N-25W
EST TNKW, CLVD, OTHERS

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