

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

API NUMBER: 149 21676 B

Approval Date: 03/21/2013  
Expiration Date: 09/21/2013

Horizontal Hole Oil & Gas

Amend reason: AMEND SURFACE HOLE LOCATION

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 19 Twp: 11N Rge: 18W County: WASHITA  
SPOT LOCATION:  NW  NW  NW  NE FEET FROM QUARTER: FROM NORTH FROM EAST  
SECTION LINES: 230 2365

Lease Name: MCNATT 18-11-18 Well No: 3H 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

SHARON HALL MCNATT  
PO BOX 69  
FOSS OK 73647

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

	Name	Depth	Name	Depth
1	DES MOINES GRANITE WASH	12370	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 281578 Location Exception Orders: 608739 Increased Density Orders: 608738

Pending CD Numbers: Special Orders:

Total Depth: 17665 Ground Elevation: 1766 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 390

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: ELK CITY

Approved Method for disposal of Drilling Fluids:

- A. Evaporation/dewater and backfilling of reserve pit.
- D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 13-22912
- 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 BED AQUIFER  
 Pit Location Formation: ELK CITY

HORIZONTAL HOLE 1

Sec 18 Twp 11N Rge 18W County WASHITA  
 Spot Location of End Point: NW NW NW NE  
 Feet From: NORTH 1/4 Section Line: 300  
 Feet From: EAST 1/4 Section Line: 2500  
 Depth of Deviation: 12153  
 Radius of Turn: 361  
 Direction: 359  
 Total Length: 4420  
 Measured Total Depth: 17665  
 True Vertical Depth: 12514  
 End Point Location from Lease,  
 Unit, or Property Line: 300

Additional Surface Owner	Address	City, State, Zip
JACKIE R. MCNATT	HC 66 BOX 22	FOSS, OK 73647

Notes:

Category	Description
DSC	3/20/2013 - G71 - APPROVED CONTINGENT ON NOTIFYING OCC FIELD STAFF IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
INCREASED DENSITY - 608738	3/21/2013 - G30 - 18-11N-18W X281578 DMSGW 1 WELL CHESAPEAKE OPERATING, INC. 3/8/13
LOCATION EXCEPTION - 608739	3/21/2013 - G30 - (I.O.) 18-11N-18W X281578 DMSGW COMP. INT. NCT 300 FSL, NCT 300 FNL, NCT 1980 FEL CHESAPEAKE OPERATING, INC. 3/8/13
MEMO	3/20/2013 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 281578	3/21/2013 - G30 - (640) 18-11N-18W EXT 181671/233368 DMSGW, OTHER EST OTHERS

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