

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

API NUMBER: 151 24483

Approval Date: 09/15/2016
Expiration Date: 03/15/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 23N Rge: 15W County: WOODS
SPOT LOCATION: NE SW SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 623 706

Lease Name: REX 16-23-15 Well No: 1H Well will be 623 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

SHARON M. JACOBSON
4325 WEST 239TH STREET
LOUISBURG KS 66053

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

Name	Depth	Name	Depth
1 OSAGE	7300	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 189683

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201603511
201603512

Special Orders:

Total Depth: 13200

Ground Elevation: 1381

Surface Casing: 600

Depth to base of Treatable Water-Bearing FM: 350

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

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? Y

Wellhead Protection Area? Y

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 16-31572
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 16 Twp 23N Rge 15W County WOODS

Spot Location of End Point: S2 S2 SE SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 7114

Radius of Turn: 750

Direction: 179

Total Length: 4908

Measured Total Depth: 13200

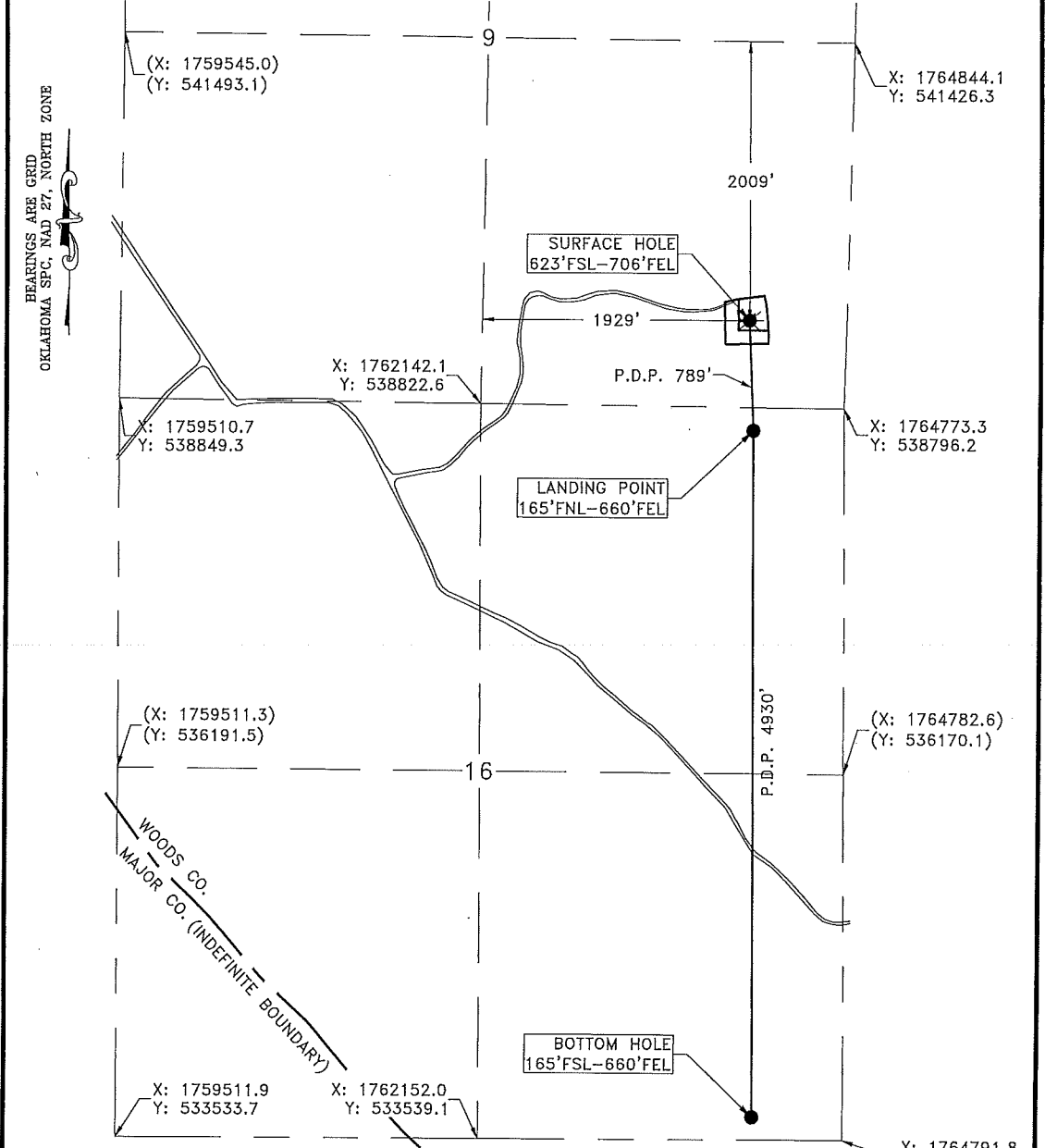
True Vertical Depth: 7475

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Category	Description
HYDRAULIC FRACTURING	9/15/2016 - 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.
PENDING CD - 201603511	9/15/2016 - G75 - 16-23N-15W X189683 OSGE 1 WELL NO OP. NAMED REC 9-12-2016 (DUNN)
PENDING CD - 201603512	9/15/2016 - G75 - (I.O.) 16-23N-15W X189683 OSGE COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FEL NO OP. NAMED REC 9-12-2016 (DUNN)
PUBLIC WATER SUPPLY WELL	9/15/2016 - G71 - MAJOR COUNTY RWD # 1, 1 PWS/WPA, SE4 9-23N-15W
SPACING - 189683	9/15/2016 - G75 - (640) 16-23N-15W EXT OTHERS EXT 130060 OSGE, OTHER

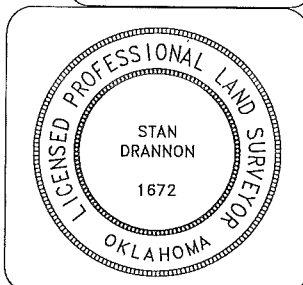
SECTIONS 9 AND 16, T 23 N - R 15 W, I.M.,
WOODS COUNTY, OKLAHOMA



Operator: CHESAPEAKE OPERATING, L.L.C. Date Staked: 6/21/2016
 Lease Name: REX 16-23-15 Well No.: 1H Elevation: 1381'
 Topography and Vegetation: PASTURE
 Good Drill Site? YES Reference or Alt. Location Stakes Set: NONE
 Best Accessibility to Location: FROM EXISTING LEASE ROAD
 Distance and Direction from Hwy, Jct. or town: FROM THE JCT. OF US HWY 412 & US HWY 281, GO NORTH ON US 281 6.5 MILES HEAD SOUTHEAST ON W. CADDO RD./CO. RD. D0337 3.5 MILES, CONTINUE SOUTHEAST ON LEASE ROAD 3.5 MILES INTO LOCATION.

Stan Drannon
 6/30/2016
 STAN DRANNON
 OKLAHOMA L.P.L.S. No.: 1672

NOTE:
 This is a plat 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 C.L.O. record distances. Review this plat and notify Gateway Services Group, LLC immediately of any possible discrepancy.



LEGEND:
 SURFACE LOCATION *
 EXISTING WELL X BOTTOM HOLE/LANDING POINT ●
 PROPOSED DRILL PATH - - - - -
 EXISTING PIPELINE - - - - -
 ELECTRIC LINE - - - - -
 OVERHEAD POWER - - - - -
 FENCE - - - - -

Chesapeake Operating, Inc. Chesapeake ENERGY

Gateway Services Group, LLC
 P.O. BOX 950
 MEEKER, OK 74855
 OFF. (405) 273-0954
 FAX (405) 273-0580
 C.A. NO. 4051 (LS)
 EXP. DATE 6-30-2018

EXHIBIT "A" PRELIMINARY
 REX 16-23-15 1H
 623'FSL - 706'FEL
 SE/4 SECTION 09, T 23 N - R 15 W, I.M.,
 WOODS COUNTY, OKLAHOMA

DRAWN BY: RLG	DATE: 6/23/16	CHK'D: GSG
GATEWAY NO.: 16-0330-003	SCALE: 1"=1000'	
PAID#: 928123	WELL#: 657917	
REV. DWN.	DESCRIPTION	DATE