

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

API NUMBER: 017 24941

Approval Date: 09/28/2016  
Expiration Date: 03/28/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 12N Rge: 7W County: CANADIAN  
SPOT LOCATION:  SW  SW  SE  SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 266 1180

Lease Name: JOHNSTON 31-12-7 Well No: 1H Well will be 266 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

BETTY J. JOHNSTON  
5600 S. COUNTRY CLUB ROAD  
EL RENO OK 73036

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	9960	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 164795 Location Exception Orders: 656208 Increased Density Orders: 656076  
656075 656209 656077  
155968

Pending CD Numbers:

Special Orders:

Total Depth: 20250 Ground Elevation: 1382 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 400

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: 5000 Average: 3000  
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: DOG CREEK

Approved Method for disposal of Drilling Fluids:

- A. Evaporation/dewater and backfilling of reserve pit.
- D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 16-31432
- 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: 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: DOG CREEK

HORIZONTAL HOLE 1

Sec 30 Twp 12N Rge 7W County CANADIAN
Spot Location of End Point: NW NE NE NE
Feet From: NORTH 1/4 Section Line: 50
Feet From: EAST 1/4 Section Line: 430
Depth of Deviation: 9629
Radius of Turn: 750
Direction: 8
Total Length: 9443
Measured Total Depth: 20250
True Vertical Depth: 9990
End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Table with 2 columns: Category, Description. Rows include DEEP SURFACE CASING, HYDRAULIC FRACTURING, INCREASED DENSITY - 656076, INCREASED DENSITY - 656077, and LOCATION EXCEPTION - 656208.

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Category	Description
LOCATION EXCEPTION - 656209	9/28/2016 - G75 - (I.O.) 31-12N-7W X155968 MSSP COMPL. INT. NCT 150' FSL, NCT 0' FNL, NCT 330' FEL CHESAPEAKE OP., L.L.C. 9-20-2016
MEMO	9/28/2016 - G71 - PIT 1 & 2 - CONCRETE-LINED PIT PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT
SPACING - 155968	9/28/2016 - G75 - (640/80) 31-12N-7W EST (80) OTHER EXT (640) OTHER EXT (640) 126170 MSSP, OTHER
SPACING - 164795	9/28/2016 - G75 - (640) 30-12N-7W EXT 124533/158955 MSSP
SPACING - 656075	9/28/2016 - G75 - (I.O.) 30 & 31-12N-7W EST MULTIUNIT HORIZONTAL WELL X164795 MSSP 30-12N-7W X155968 MSSP 31-12N-7W 50% 30-12N-7W 50% 31-12N-7W CHESAPEAKE OP., L.L.C. 9-14-2016

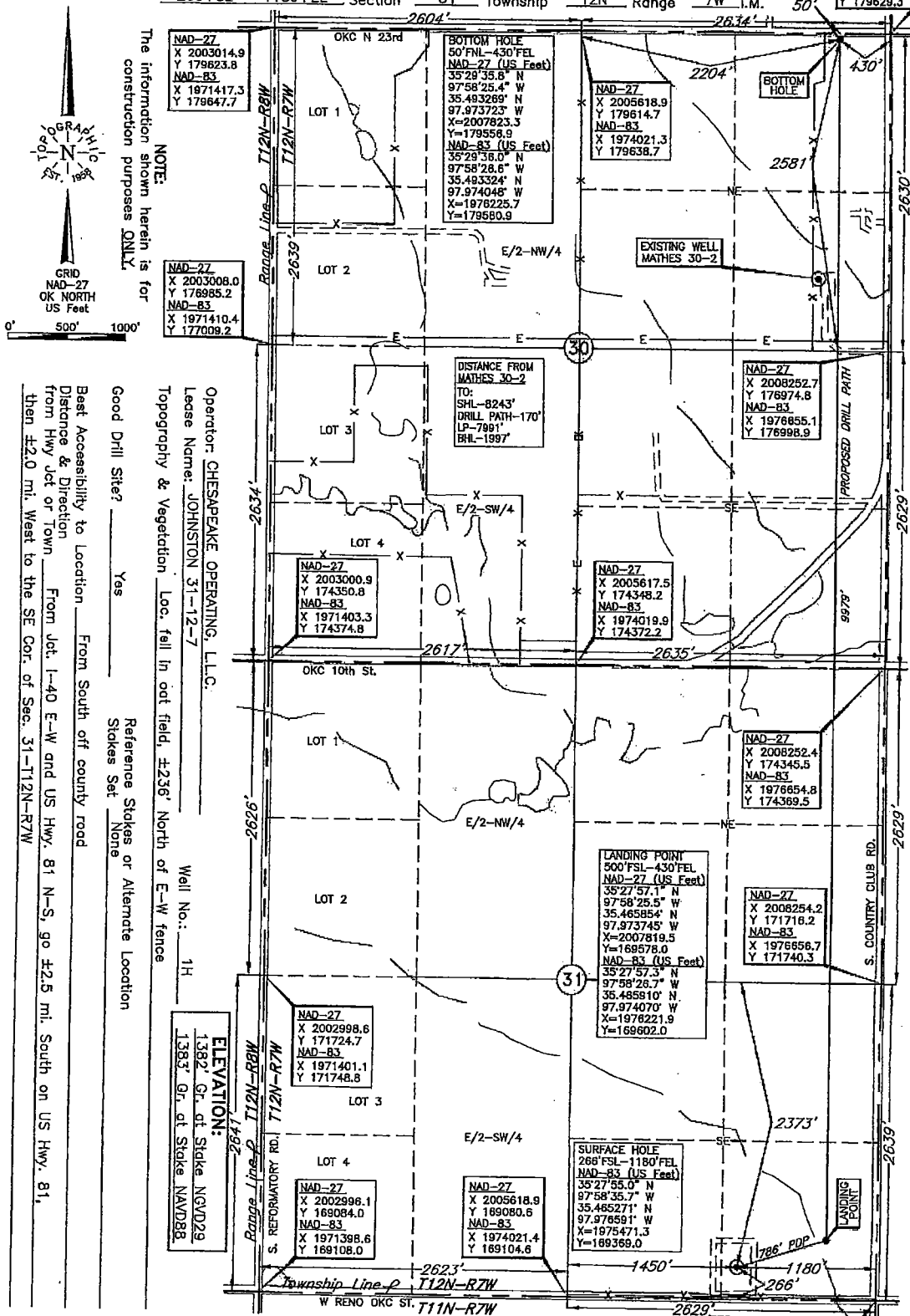
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Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District  
Office of the Conservation Division as to when Surface Casing will be run.

API 017-24941

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

NAD-27  
X 2008253.3  
Y 179605.3  
NAD-83  
X 1976655.7  
Y 179628.3

266° FSL - 1180° FEL Section 31 Township 12N Range 7W I.M. 50'



NOTE:  
The information shown herein is for construction purposes ONLY.



Operator: CHESAPEAKE OPERATING, L.L.C.  
Lease Name: JOHNSTON 31-12-7  
Topography & Vegetation Loc. fall in out field, ±236' North of E-W fence  
Well No.: 1H  
ELEVATION:  
1382' Gr. at Stake NGVD29  
1383' Gr. at Stake NAVD88

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

DATUM: NAD-27  
LAT: 35°27'54.8"N  
LONG: 97°58'34.6"W  
LAT: 35.465215° N  
LONG: 97.976266° W  
STATE PLANE  
COORDINATES: (US Feet)  
ZONE: OK NORTH  
X: 2007068.8  
Y: 169345.0

Date of Drawing: Mar. 26, 2016  
Invoice # 260745 Date Staked: May 24, 2016

CERTIFICATE:

I, Thomas L. Howell, an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein

Thomas L. Howell  
Oklahoma Lic. No. 1433

