

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

API NUMBER: 017 25204

Approval Date: 03/30/2018

Expiration Date: 09/30/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 20 Twp: 12N Rge: 6W

County: CANADIAN

SPOT LOCATION: ☐ SE ☐ SE ☐ SW ☐ SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 240 1280

Lease Name: DENALI 1206

Well No: 3UMH-20

Well will be 240 feet from nearest unit or lease boundary.

Operator  
Name: CHAPARRAL ENERGY LLC

Telephone: 4054264451; 4054264

OTC/OCC Number: 16896 0

CHAPARRAL ENERGY LLC  
701 CEDAR LAKE BLVD  
OKLAHOMA CITY, OK 73114-7800

WESTERN CONTRACTORS, INC  
8610 LEHMAN RD  
C/O DUANE FAULKNER  
EL RENO OK 73036

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	8800	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 667934

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201802137  
201802135

Special Orders:

Total Depth: 14400

Ground Elevation: 1326

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 280

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

**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: 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 located in a Hydrologically Sensitive Area.

**Category of Pit: C**

**Liner not required for Category: C**

Pit Location is BED AQUIFER

Pit Location Formation: DUNCAN

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 18-34205

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: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: DUNCAN

## HORIZONTAL HOLE 1

Sec 20 Twp 12N Rge 6W County CANADIAN

Spot Location of End Point: N2 N2 NE NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 1980

Depth of Deviation: 8196

Radius of Turn: 800

Direction: 5

Total Length: 4947

Measured Total Depth: 14400

True Vertical Depth: 9150

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

### Notes:

#### Category

#### Description

DEEP SURFACE CASING

3/27/2018 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING

HYDRAULIC FRACTURING

3/27/2018 - G71 - OCC 165:10-3-10 REQUIRES:

1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;

2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: [OCCEWEB.COM/OG/OGFORMS.HTML](http://OCCEWEB.COM/OG/OGFORMS.HTML); AND,

3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK: [FRACFOCUS.ORG](http://FRACFOCUS.ORG)

MEMO

3/27/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201802135

3/30/2018 - G57 - 20-12N-6W  
X667934 MSSP  
2 WELLS  
NO OP. NAMED  
HEARING 4-9-2018

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.

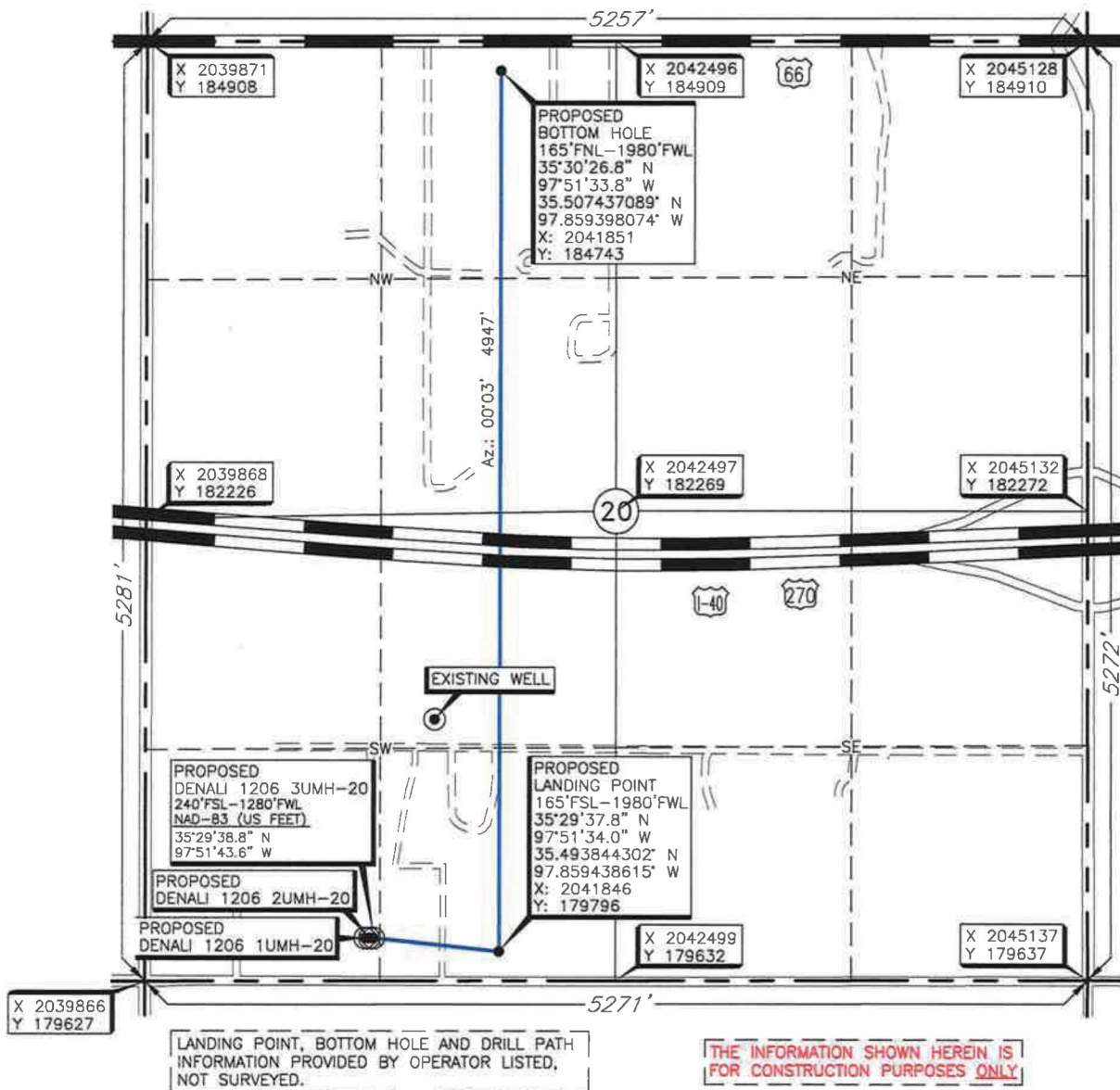
017 25204 DENALI 1206 3UMH-20

Category	Description
PENDING CD - 201802137	3/30/2018 - G57 - (E.O.) 20-12N-6W X667934 MSSP COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 1320' FWL X165:10-3-28(C)(2)(B) MSSP (DENALI 1206 2UMH-20) MAY BE CLOSER THAN 600' FROM THE LEHMAN 20-2 NO OP. NAMED REC 3-26-2018 (M. PORTER)
SPACING - 667934	3/28/2018 - G57 - (640)(HOR) 20-12N-6W EXT 631353 MSSP, OTHERS POE TO BHL NCT 660' FB (COEXIST W/ SP. ORDER #130956 MISS)

CANADIAN

County, Oklahoma

240'FSL-1280'FWL Section 20 Township 12N Range 6W I.M.



Operator: CHAPARRAL ENERGY, LLC.

Lease Name: DENALI 1206

Well No.: 3UMH-20

**ELEVATION:**

1326' Gr. at Stake (NAVD 88)

1326' Gr. at Stake (NGVD 29)

Topography & Vegetation Location fell in wheat field

Good Drill Site? Yes

Reference Stakes or Alternate Location  
Stakes Set None

Best Accessibility to Location From South off county road

Distance & Direction

From Hwy Jct or Town From the junction of US Hwy 40/US Hwy 270 & US Hwy 81, go ± 4 miles East on  
US Hwy 40/US Hwy 270, then ± 0.5 mile South to the Southwest Corner of Section 20, T12N-R6W.

DATUM: NAD-27  
LAT: 35°29'38.6\"

STATE PLANE  
COORDINATES (US FEET):  
ZONE: OK NORTH

X: 2041146  
Y: 179869

Date of Drawing: Mar. 19, 2018

Invoice # 290266B Date Staked: Mar. 16, 2018

NB

**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.

Oklahoma Reg. No. 1433

