API NUMBER: 017 25203

Oil & Gas

Horizontal Hole

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

Approval Date:	03/30/2018
Expiration Date:	09/30/2018

PERMIT TO DRILL

Lease Name:	DENALI 1	206					We	ell No:	2UMH-20		
							SECTION LINES:		240		1255
SPOT LOCATION:	SE	SE	S	W	SW		FEET FROM QUARTER:	FROM	SOUTH	FROM	WEST
WELL LOCATION:	Sec:	20	Twp:	12N	Rge:	6W	County	: CAN	ADIAN		

Well No: 2UMH-20 Well will be 240 feet from nearest unit or lease boundary.

 Operator
 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: 201802136 Special Orders:

201802135

Total Depth: 14450 Ground Elevation: 1325 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 D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34204
Chlorides Max: 5000 Average: 3000
H. SEE MEMO

Chlorides Max: 5000 Average: 3000 H. SEE M

Is depth to top of ground water greater than 10ft below base of pit? $\quad Y$

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

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: NE NE NW NW Feet From: NORTH 1/4 Section Line: 165
Feet From: WEST 1/4 Section Line: 1180

Depth of Deviation: 8244
Radius of Turn: 800
Direction: 359

Total Length: 4949

Measured Total Depth: 14450

True Vertical Depth: 9000

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

Notes:

MEMO

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; 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

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 Category Description

PENDING CD - 201802136 3/30/2018 - G57 - (E.O.) 20-12N-6W

X667934 MSSP

COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 660' 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)

3/27/2018 - G57 - (640)(HOR) 20-12N-6W EXT 631353 MSSP, OTHERS **SPACING - 667934**

POE TO BHL NCT 660' FB

(COEXIST W/SP. ORDER #130956 MISS)

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA 13800 WIRELESS WAY, OKLA. CITY, OKLA. 73134 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219 Certificate of Authorization No. 1293 LS API: 017 25203 CANADIAN County, Oklahoma 240'FSL-1255'FWL Section __ 20 Township 12N Range 6W_I.M. 5257' X 2042496 Y 184909 2039871 X 2045128 Y 1**849**10 66 184908 PROPOSED BOTTOM HOLE 165'FNL-11**80'FWL** 35'30'26.8" N 97'51'43.5" W 35.507439548' N 97.862085787* X: 2041051 Y: 184743 4949 00,00 X 2042497 Y 1**82269** X 204513 Y **182272** 2045132 2039868 182226 GRID 270 (I-40) OK NORTH US FEET Scale: 1" = 1000' EXISTING WELL PROPOSED PROPOSED DENALI 1206 1UMH-20 LANDING POINT 165'FSL-1180'FWL 35'29'37.8" N 97'51'43.7" W 35.493843146' N PROPOSED DENALI 1206 2UMH-20 240'FSL-1255'FWL NAD-83 (US FEET) 35'29'38.8" N 97'51'43.9" W 97.862125879* X: 2041046 179794 PROPOSED 2042499 X 2045137 Y 179637 2039866 179627 LANDING POINT, BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, THE INFORMATION SHOWN HEREIN IS FOR CONSTRUCTION PURPOSES ONLY NOT SURVEYED. **ELEVATION:** Operator: CHAPARRAL ENERGY, LLC 1326' Gr. at Stake (NAVD 88) Lease Name: DENALI 1206 Well No.: 2UMH-20 Gr. at Stake (NGVD 29) Topography & Vegetation Location fell in wheat field Reference Stakes or Alternate Location Yes Good Drill Site? ___ None Stakes Set .. From South off county road Best Accessibility to Location _ Distance & Direction From the junction of US Hwy 40/US Hwy 270 & US Hwy 81, go ± 4 miles East on from Hwy Jct or Town_ US Hwy 40/US Hwy 270, then ± 0.5 mile South to the Southwest Corner of Section 20, T12N-R6W Date of Drawing: Mar. 19, 2018 POFESSIONAL DATUM: NAD-27 Invoice # 290266A Date Staked: Mar. 16, 2018 LAT: 35'29'38.6" N LONG: 97'51'42.7" W **CERTIFICATE:** This information with a GPS rip ±1 foot Horiz./Vert. a LAT: 35.494049367° N Thomas L. Howell ENSED LONG: 97.861873579° W ___an Oklahoma Licensed Land THOMAS L. SURVE Surveyor and an authorized agent of Topographic Land HOWELL STATE PLANE Surveyors of Oklahoma, do hereby certify to the 1433 COORDINATES (US FEET): information shown herein. OK LAHOMA ZONE: OK NORTH X: 2041121 179869 Oklahoma Reg. No. <u>143</u>3