

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

API NUMBER: 073 25888

Approval Date: 01/09/2018

Expiration Date: 07/09/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 17N Rge: 7W

County: KINGFISHER

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 250 2120

Lease Name: BULLIS 1-17-7

Well No: 2HC

Well will be 250 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

BULLIS FAMILY FARMS, LLC.
17558 E. 715 RD
DOVER OK 73734

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

	Name	Depth	Name	Depth
1	OSWEGO	6600	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 651601
671353

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201708062
201708063
201708064
201708065
201707947

Special Orders:

Total Depth: 17500

Ground Elevation: 1065

Surface Casing: 520

Depth to base of Treatable Water-Bearing FM: 270

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: 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? 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: 17-33512

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 13 Twp 17N Rge 7W County KINGFISHER

Spot Location of End Point: E2 SE SW SE

Feet From: SOUTH 1/4 Section Line: 330

Feet From: EAST 1/4 Section Line: 1350

Depth of Deviation: 6161

Radius of Turn: 1000

Direction: 175

Total Length: 9768

Measured Total Depth: 17500

True Vertical Depth: 6685

End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Category	Description
HYDRAULIC FRACTURING	<p>12/6/2017 - G71 - OCC 165:10-3-10 REQUIRES:</p> <p>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;</p> <p>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,</p> <p>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</p>
PENDING CD - 201707947	<p>12/21/2017 - G57 - (E.O.) 12-17N-7W X651601 OSWG 3 WELLS NO OP. NAMED REC 12-19-2017 (NORRIS)</p>
PENDING CD - 201708062	<p>12/21/2017 - G57 - (I.O.) 12 & 13-17N-7W EST MULTIUNIT HORIZONTAL WELL X651601 OSWG 12-17N-7W X671353 OSWG 13-17N-7W 50% 12-17N-7W 50% 13-17N-7W CHESAPEAKE OPERATING, LLC. REC 1-8-2018 (DENTON)</p>
PENDING CD - 201708063	<p>1/9/2018 - G57 - (I.O.) 12-17N-7W X651601 OSWG COMPL. INT. NCT 330' FNL, NCT 0' FSL, NCT 660' FEL NO OP. NAMED REC 1-8-2018 (DENTON)</p>
PENDING CD - 201708064	<p>12/21/2017 - G57 - (I.O.) 13-17N-7N X671353 OSWG 2 WELLS NO OP. NAMED REC 1-8-2018 (DENTON)</p>
PENDING CD - 201708065	<p>12/21/2017 - G57 - (I.O.) 13-17N-7N X671353 OSWG COMPL. INT. NCT 0' FNL, NCT 330' FSL, NCT 660' FEL NO OP. NAMED REC 1-8-2018 (DENTON)</p>
PUBLIC WATER SUPPLY WELLS	<p>12/6/2017 - G71 - KINGFISHER - 3 PWS/WPA, 2 - NE/4 11-17N-7W & 1 - SW/4 12-17N-7W</p>

This permit does not address the right of entry or settlement of surface damages.

073 25888 BULLIS 1-17-7 2HC

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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.

Category	Description
SPACING - 651601	12/13/2017 - G57 - (640)(HOR) 12-17N-7W VAC OTHER VAC 40411/4225 N2 NW4, SE4, S2 SW4 OSWG EST OSWG, OTHER POE TO BHL NLT 660' FB (COEXIST NON-HORIZONTAL DRILLING & SPACING N2 NE4, S2 NE4, S2 NW4, N2 SW4)
SPACING - 671353	12/18/2017 - G57 - (640)(HOR) 13-17N-7W EXT 652371 OSWG EXT OTHER POE TO BHL NCT 660' FB (COEXIST SP. ORDER #40411/42259)

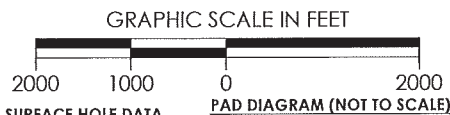
CHESAPEAKE ENERGY

OPERATOR: CHESAPEAKE OPERATING, LLC
LEASE NAME: BULLIS 1-17-7
WELL NO. 2HC
STAKED DATE: 10/24/17

GROUND ELEVATION: 1065.26 GR. AT STAKE
SURFACE HOLE FOOTAGE: 250' FSL - 2120' FEL
SECTION: T17N RANGE: R7W
KINGFISHER COUNTY, STATE: OK
BOTTOM HOLE: 13-T17N-R7W-11M.
BOTTOM HOLE FOOTAGE: 330' FSL - 1350' FEL
LANDING POINT FOOTAGE: 500' FNL - 1350' FEL

ACCESSIBILITY TO LOCATION: FROM EAST LINE
TOPOGRAPHY & VEGETATION: LOCATION FELL ON THE SOUTH EDGE OF A FIELD.

DISTANCE & DIRECTION FROM HWY JCT OR TOWN:
FROM THE TOWN DOVER HEAD SOUTH 0.2MI ± ON
US-81 TO E. BOUNDARY ST AKA E715RD, HEAD EAST
1.2MI ± TO N2670RD, HEAD SOUTH 0.65MI ± TO A LEASE
ROAD ON THE WEST SIDE OF THE ROAD. PAD SITE IS
APPROXIMATELY 0.45MI ± NW FROM ENTRANCE.



SURFACE HOLE DATA

STATE PLANE COORDINATES:
ZONE: OK-NORTH NAD27
X: 2030578.8
Y: 353755.4
GPS DATUM: NAD27
LAT: 35.97179145
LONG: -97.89666177

STATE PLANE COORDINATES:
ZONE: OK-NORTH NAD83
X: 1998979.6
Y: 353779.4
GPS DATUM: NAD83
LAT: 35.97183195
LONG: -97.89699443

BOTTOM HOLE DATA

STATE PLANE COORDINATES:
ZONE: OK-NORTH NAD27
X: 2031367.9
Y: 343241.7
GPS DATUM: NAD27
LAT: 35.94290587
LONG: -97.89403388

STATE PLANE COORDINATES:
ZONE: OK-NORTH NAD83
X: 1999768.8
Y: 343265.6
GPS DATUM: NAD83
LAT: 35.94294713
LONG: -97.89436592

LANDING POINT DATA

STATE PLANE COORDINATES:
ZONE: OK-NORTH NAD27
X: 2031350.9
Y: 353009.4
GPS DATUM: NAD27
LAT: 35.96973969
LONG: -97.89405544

STATE PLANE COORDINATES:
ZONE: OK-NORTH NAD83
X: 1999751.7
Y: 353033.3
GPS DATUM: NAD83
LAT: 35.96978026
LONG: -97.89438799

PLEASE NOTE THAT THIS LOCATION WAS STAKED ON THE GROUND UNDER THE SUPERVISION OF A LICENSED PROFESSIONAL LAND SURVEYOR, BUT ACCURACY OF THIS EXHIBIT IS NOT GUARANTEED. PLEASE CONTACT CRAFTON TULL PROMPTLY IF ANY INCONSISTENCY IS DETERMINED. GPS DATA IS OBSERVED FROM RTK-GPS. NOTE: X AND Y DATA SHOWN HEREON FOR SECTION CORNERS MAY NOT HAVE BEEN SURVEYED ON THE GROUND, AND FURTHER, DOES NOT REPRESENT A TRUE BOUNDARY SURVEY. LANDING POINT, BOTTOM HOLE, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED.

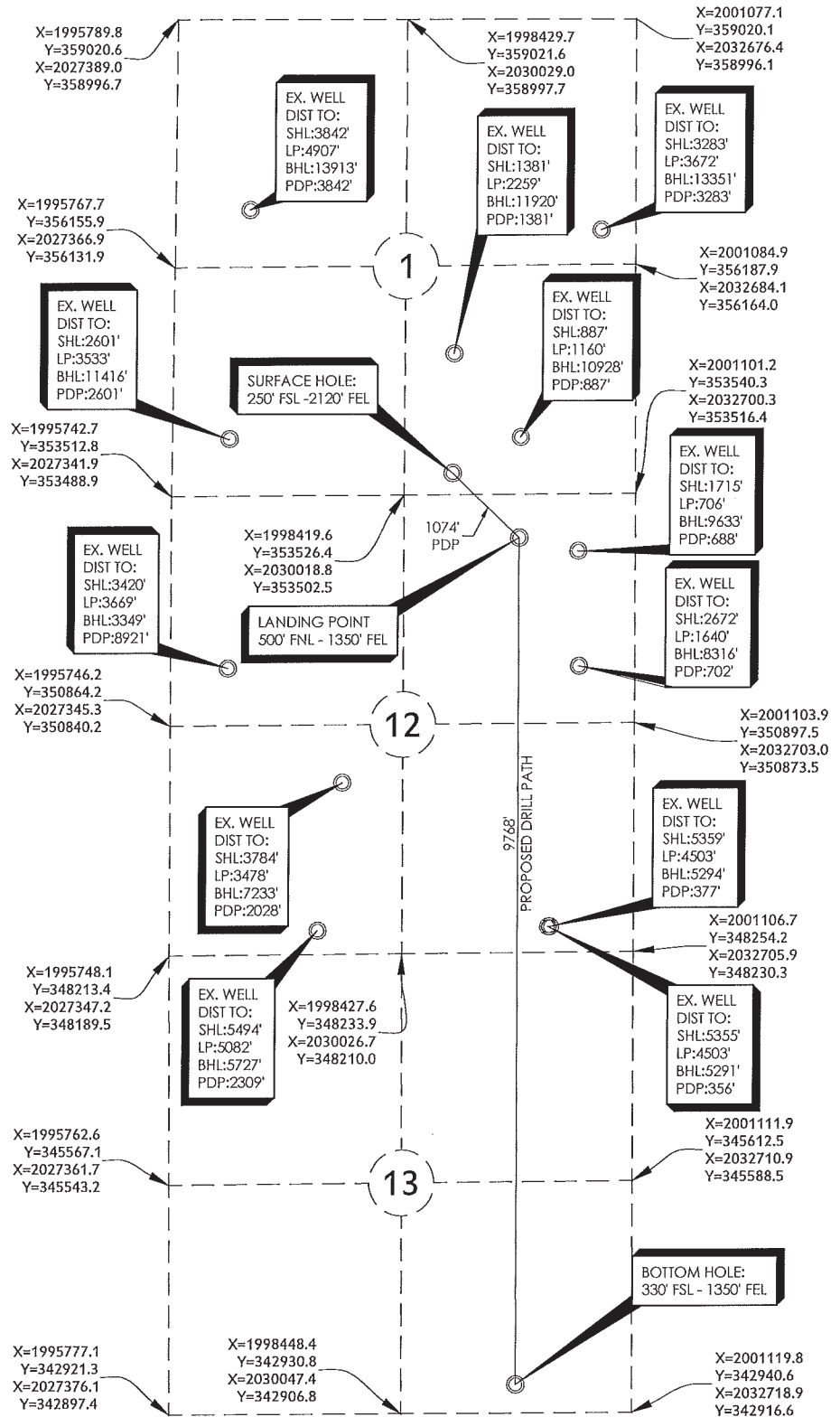
CERTIFICATION:

THIS IS TO CERTIFY THAT THIS WELL LOCATION EXHIBIT WAS COMPILED AND PREPARED UNDER MY SUPERVISION.

Date: 2017.11.17 11:44:56-06'00'

[Signature]
DENVER WINCHESTER PLS 1952

API: 073 25888



BULLIS 1-17-7 2HC

PART OF THE SE/4 OF
SECTION 1, T17N, R7W
WELL LOCATION EXHIBIT
KINGFISHER COUNTY, OKLAHOMA

REVISION DATE:

-	-
-	-
-	-
-	-

SCALE: 1" = 2000'

PLOT DATE: 11-17-2017

DRAWING: 17601112-WELL-P

DRAWN BY: SQ

SHEET NO.: 3 OF 3

300 Pointe Parkway Blvd
Yukon, OK 73099
405.787.6270 t 405.787.6276 f
www.craftontull.com



Crafton Tull
SURVEYING
CERTIFICATE OF AUTHORIZATION:
CA 973 (PE/LS) EXPIRES 6/30/2018