

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

API NUMBER: 073 26125

Approval Date: 06/27/2018

Expiration Date: 12/27/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 17N Rge: 7W

County: KINGFISHER

SPOT LOCATION:

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 225 1640

Lease Name: BEVERLY 22-17-7

Well No: 1H

Well will be 225 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

VANESSA SANDUSKY
15945 US HWY 81
KINGFISHER OK 73750

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

Name	Depth	Name	Depth
1 OSWEGO	6818	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 641398

Location Exception Orders: 674121

Increased Density Orders: 674154

Pending CD Numbers:

Special Orders:

Total Depth: 12500

Ground Elevation: 1091

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 220

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? N

Wellhead Protection Area? N

Pit is not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: BISON

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34740
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 22 Twp 17N Rge 7W County KINGFISHER

Spot Location of End Point: C N2 N2 NW

Feet From: NORTH 1/4 Section Line: 330

Feet From: WEST 1/4 Section Line: 1320

Depth of Deviation: 6778

Radius of Turn: 800

Direction: 357

Total Length: 4465

Measured Total Depth: 12500

True Vertical Depth: 6863

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

Notes:

Category

Description

DEEP SURFACE CASING

6/15/2018 - 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

6/15/2018 - 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

INCREASED DENSITY - 674154

6/27/2018 - G57 - 22-17N-7W
X641398 OSWG
2 WELLS
CHESAPEAKE OPERATING, LLC.
2-28-2018

LOCATION EXCEPTION - 674121

6/27/2018 - G57 - (I.O.) 22-17N-7W
X641398 OSWG
COMPL. INT. NCT 330' FSL, NCT 330' FNL, NCT 660' FWL
CHESAPEAKE OPERATING, LLC.
2-27-2018

SPACING - 641398

6/27/2018 - G57 - (640) 22-17N-7W
VAC 242914 OWSG NW4
VAC 109727 OWSG NW4
VAC 40411/42259 OSWG N2 NE4
EST OSWG, OTHER
POE TO BHL NLT 660' FB
(COEXIST WITH SP. ORDER #40411/42259/109727 OWSG S2 NE4, N2 SW4, N2 SE4, S2 SW4, S2 SE4)

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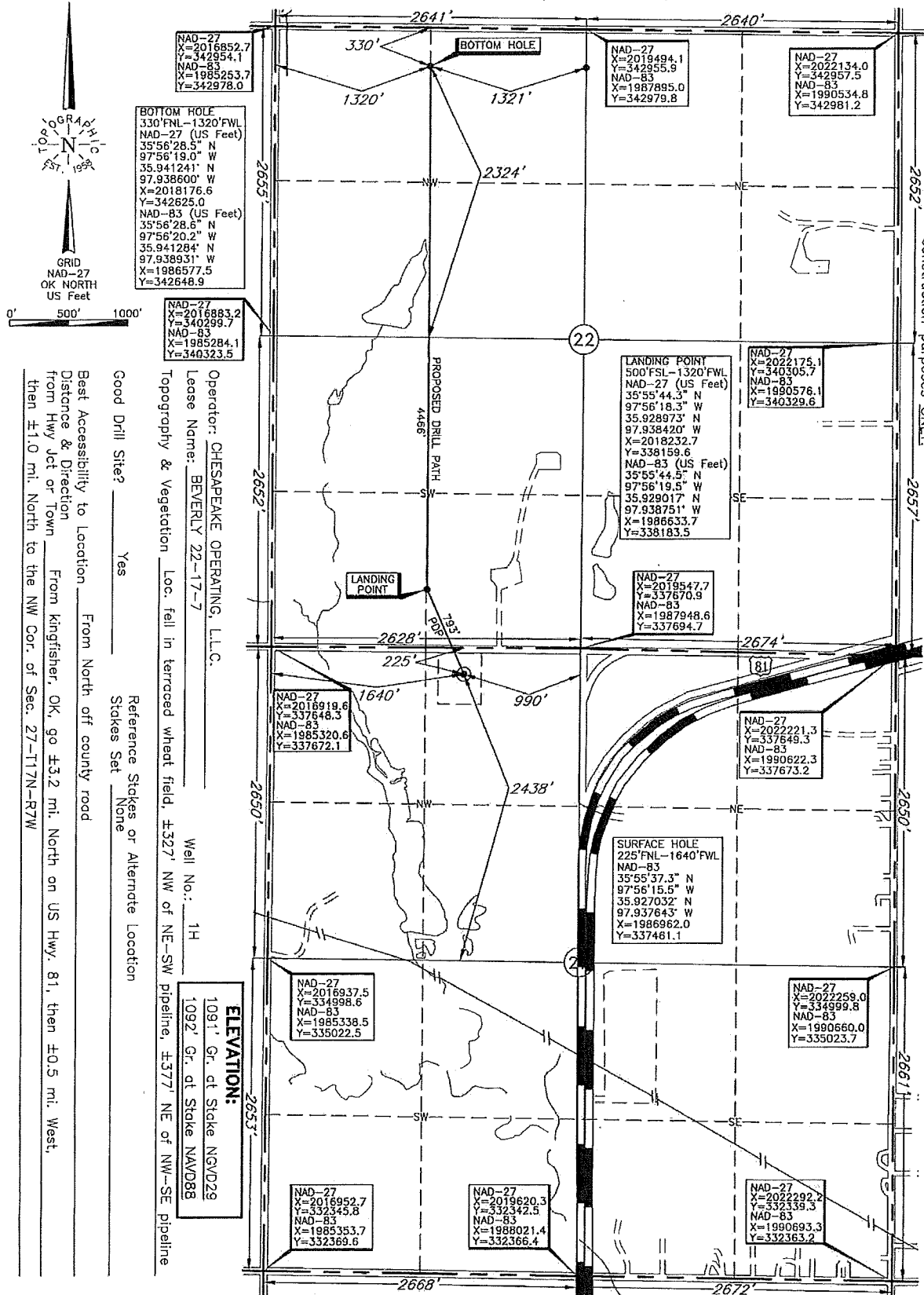
Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

073 26125 BEVERLY 22-17-7 1H

KINGFISHER

County, Oklahoma

225' FNL - 1640' FWL Section 27 Township 17N Range 7W I.M.



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

Date of Drawing: Jan. 29, 2018

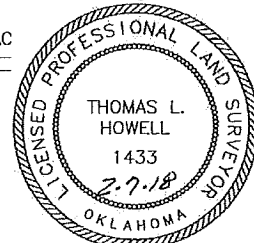
Invoice # 286760 Date Staked: Jan. 23, 2018

AC

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



DATUM: NAD-27
LAT: 35°55'37.2"N
LONG: 97°56'14.3"W
LAT: 35.926988° N
LONG: 97.937312° W
STATE PLANE
COORDINATES: (US Feet)
ZONE: OK NORTH
X: 2018561.0
Y: 337437.2