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|---|---------------|--|--|---|----------------------|--|--|
| API No. <u>42-283-32981</u> Drilling Permit # <u>730675</u> SWR Exception Case/Docket No. _____ | | RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER <i>This facsimile W-1 was generated electronically from data submitted to the RRC.</i> <i>A certification of the automated data is available in the RRC's Austin office.</i> | | | | FORM W-1 07/2004 Permit Status: Approved | |
| 1. RRC Operator No. 147715 | | 2. Operator's Name (as shown on form P-5, Organization Report) CHESAPEAKE OPERATING, INC. | | 3. Operator Address (include street, city, state, zip): | | | |
| 4. Lease Name BROKEN ARROW RANCH UNIT D LAS | | 5. Well No. 5H | | | | | |
| GENERAL INFORMATION | | | | | | | |
| 6. Purpose of filing (mark ALL appropriate boxes): <input checked="" type="checkbox"/> New Drill <input type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input type="checkbox"/> Re-Enter <input type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D) | | | | | | | |
| 7. Wellbore Profile (mark ALL appropriate boxes): <input type="checkbox"/> Vertical <input checked="" type="checkbox"/> Horizontal (Also File Form W-1H) <input type="checkbox"/> Directional (Also File Form W-1D) <input type="checkbox"/> Sidetrack | | | | | | | |
| 8. Total Depth 12000 | | 9. Do you have the right to develop the minerals under any right-of-way ? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | 10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | |
| SURFACE LOCATION AND ACREAGE INFORMATION | | | | | | | |
| 11. RRC District No. 01 | | 12. County LA SALLE | | 13. Surface Location <input checked="" type="checkbox"/> Land <input type="checkbox"/> Bay/Estuary <input type="checkbox"/> Inland Waterway <input type="checkbox"/> Offshore | | | |
| 14. This well is to be located <u>10.86</u> miles in a <u>NW</u> direction from <u>Cotulla</u> which is the nearest town in the county of the well site. | | | | | | | |
| 15. Section 764 | | 16. Block | | 17. Survey BENSON, E | | 18. Abstract No. A-832 | |
| | | | | 19. Distance to nearest lease line: 100 ft. | | 20. Number of contiguous acres in lease, pooled unit, or unitized tract: 488.19 | |
| 21. Lease Perpendiculars: <u>2580</u> ft from the <u>S (OFF LEASE)</u> line and <u>1335</u> ft from the <u>E (OFF LEASE)</u> line. 22. Survey Perpendiculars: <u>2580</u> ft from the <u>S</u> line and <u>1335</u> ft from the <u>E</u> line. | | | | | | | |
| 23. Is this a pooled unit? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | 24. Unitization Docket No: | | 25. Are you applying for Substandard Acreage Field? <input type="checkbox"/> Yes (attach Form W-1A) <input checked="" type="checkbox"/> No | | | |
| FIELD INFORMATION List all fields of anticipated completion including Wildcat. List one zone per line. | | | | | | | |
| 26. RRC District No. | 27. Field No. | 28. Field Name (exactly as shown in RRC records) | | 29. Well Type | 30. Completion Depth | 31. Distance to Nearest Well in this Reservoir | |
| 01 | 27135700 | EAGLEVILLE (EAGLE FORD-1) | | Oil Well | 12000 | 0.00 | |
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| BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment) | | | | | | | |
| Remarks [RRC STAFF Jan 3, 2012 8:00 AM]: Manual review ok, density met. | | | | Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge. <div style="display: flex; justify-content: space-between;"> <div> <u>Bill Spencer, Consultant</u> Name of filer </div> <div> <u>Dec 27, 2011</u> Date submitted </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <u>(512)9181062</u> Phone </div> <div> <u>bill@spencerconsulting.org</u> E-mail Address (OPTIONAL) </div> </div> | | | |
| RRC Use Only | | | | | | | |
| Data Validation Time Stamp: Jan 3, 2012 8:01 AM('As Approved' Version) | | | | | | | |

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| Permit Status: | Approved |
| <i>The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.</i> | |

**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION**

Form W-1H 07/2004
Supplemental Horizontal Well Information

APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

*This facsimile W-1 was generated electronically from data submitted to the RRC.
 A certification of the automated data is available in the RRC's Austin office.*

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| Permit # | 730675 |
| Approved Date: | Jan 03, 2012 |

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|-------------------------------|--|--|-------------------|
| 1. RRC Operator No. 147715 | 2. Operator's Name (exactly as shown on form P-5, Organization Report) CHESAPEAKE OPERATING, INC. | 3. Lease Name BROKEN ARROW RANCH UNIT D LAS | 4. Well No. 5H |
|-------------------------------|--|--|-------------------|

Lateral Drainhole Location Information

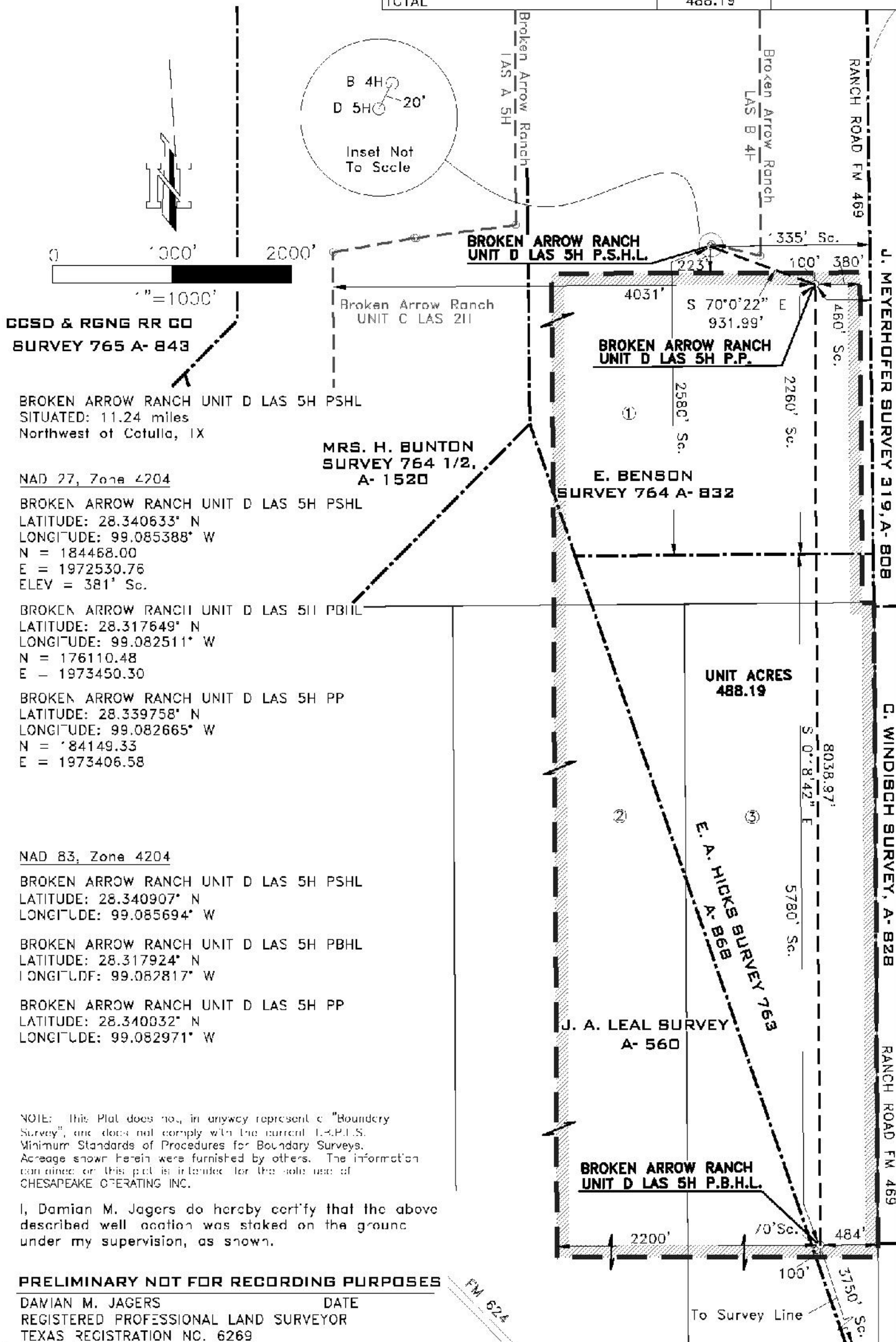
| | |
|-------------------------------|---|
| 5. Field as shown on Form W-1 | EAGLEVILLE (EAGLE FORD-1) (Field # 27135700, RRC District 01) |
|-------------------------------|---|

| | | | | |
|------------|----------|------------------------|--------------------|-------------------------------|
| 6. Section | 7. Block | 8. Survey LEAL, J A | 9. Abstract 560 | 10. County of BHL LA SALLE |
|------------|----------|------------------------|--------------------|-------------------------------|

| | | | | | | | | |
|--|------|--------------|---|-----------|-----|--------------|---|------|
| 11. Terminus Lease Line Perpendiculars 12. Terminus Survey Line Perpendiculars 13. Penetration Point Lease Line Perpendiculars | 100 | ft. from the | S | line. and | 484 | ft. from the | E | line |
| | 5780 | ft. from the | N | line. and | 484 | ft. from the | E | line |
| | 100 | ft. from the | N | line. and | 380 | ft. from the | e | line |

PLAT SHOWING
PROPOSED WELL LOCATION
CHESAPEAKE OPERATING INC.
BROKEN ARROW RANCH UNIT D LAS 5H

| TRACT | OWNER | UNIT ACRES | TRACT ACRES |
|-------|------------------------|------------|-------------|
| 1 | ROBERT G. SCHROEDER | 164.02 | 577.92 |
| 2 | KATIE JANSING | 136.26 | 298.40 |
| 3 | Jerry L. House et. al. | 187.91 | 194.00 |
| TOTAL | | 488.19 | |



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Longview Tyler Lufkin Austin Dallas Sugar Land

12-27-2011
488.19 AC UNIT PLAT FOR
CHESAPEAKE OPERATING, INC.
CHPK.311

PROPOSED LOCATION OF BROKEN ARROW RANCH
UNIT D LAS 5H
J.A. LEAL Survey A-560
E. BENSON Survey 764, A-832
E.A. HICKS SURVEY 763, A-868
LA SALLE COUNTY, TEXAS