CHESAPEAKE OPERATING, INC.

AUTHORIZATION FOR EXPENDITURE

AFE #. 000100785 Legal Desc: Section 13-18N-6W Courty, State Kingfisher, Oklahoma Code Work Description INT-Lse Roads, Location, Pits 333401 INT-Damages/Row 333402 INT-Grectamation INT-Fuel 333410 INT-Priling Contractor INT-Directional Services INT-Bits 1NT-Reglemabilization 333415 INT-Bits 1NT-Bits 1NT-Bits 1NT-Buplies & Utilities INT-Directompletion Fluids, Mud. Chem INT-Downhole Rental Equipment INT-Workover/Completion Unit INT-Workover/Completion Unit INT-United Labor INT-Tubular Hauling/Inspection INT-Tubular Hauling/Inspection INT-Flow Crew & Equipment INT-Suspervision INT-Consultants INT-Consultants INT-Consultants INT-Continual Labor INT-Flow Crew & Equipment INT-Coverhead INT-Overhead INT-Operations Support Center	PreDrill 90,500.00 25,000.00 3,000.00 33,000.00 0.00 0.00 0.0	Drilling 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	Date: Vertical Depth: /ertical Section: Total Depth: Formation: Property. Completion 12,000.00 0.00 0.00 0.00 0.00 0.00	TIL 0.00 0.00 0.00	7/6/20 6,- 4,- 11, Osw 656: TOT 102,500
Operator: Chesapeake Operating, LLC AFE #. 000100785 Legal Desc: Section 13-18N-6W County, State Kingfisher, Oklahoma Code Work Description 233400 INT-Lse Roads, Location, Pits 233401 INT-Banages/Row 233402 INT-Governmental Filings 233403 INT-Greatmental Filings 233404 INT-Governmental Filings 233405 INT-Redamation 233407 INT-Fille Opinions 233410 INT-Filling Contractor 233411 INT-Directional Services 233412 INT-Brits 233413 INT-Supplies & Utilities 233415 INT-Supplies & Utilities 233418 INT-Downhole Rental Equipment 233428 INT-Downhole Rental Equipment 233439 INT-Formation Treatment 233431 INT-Formation Treatment 233432 INT-Formation Intertunent 233433 INT-Formation Labor 233443 INT-Flowchack Hauloff 233444 INT-Flowcrew & E	90,500.00 25,000.00 3,000.00 33,000.00 0.00 0.00 0.0	Drilling 0.00 0.00 0.00 0.00 60,000.00 17,000.00 245,000.00	/ertical Section: Total Depth: Formation: Property. Completion 12,000,00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00	4,1 11, Osw 656 TOT 102,500
AFE #. 000100785 Legal Desc: Section 13-18N-6W Courty, State Kingfisher, Oklahoma Code Work Description INT-Lse Roads, Location, Pits 333401 INT-Damages/Row 333402 INT-Grectamation INT-Fuel 333410 INT-Priling Contractor INT-Directional Services INT-Bits 1NT-Reglemabilization 333415 INT-Bits 1NT-Bits 1NT-Bits 1NT-Buplies & Utilities INT-Directompletion Fluids, Mud. Chem INT-Downhole Rental Equipment INT-Workover/Completion Unit INT-Workover/Completion Unit INT-United Labor INT-Tubular Hauling/Inspection INT-Tubular Hauling/Inspection INT-Flow Crew & Equipment INT-Suspervision INT-Consultants INT-Consultants INT-Consultants INT-Continual Labor INT-Flow Crew & Equipment INT-Coverhead INT-Overhead INT-Operations Support Center	90,500.00 25,000.00 3,000.00 33,000.00 0.00 0.00 0.0	Drilling 0.00 0.00 0.00 0.00 60,000.00 17,000.00 245,000.00	Total Depth: Formation: Property. Completion 12,000.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00	11, Osw 656 TOT 102,500
Legal Desc: Section 13-18N-6W County, State Kingfisher, Oklahoma Code Work Description 2334001 INT-Lase Roads, Location, Pits 133402 INT-Governmental Filings 233403 INT-Title Opinions 133409 INT-Fuel 233410 INT-Drilling Contractor 233411 INT-Directional Services 233413 INT-Bits 233415 INT-Bits 1NT-Supplies & Utilities INT-Supplies & Utilities 233418 INT-Mul Logging 1NT-Downhole Rental Equipment INT-Downhole Rental Equipment 1NT-Formation Treatment INT-Formation Treatment 233433 INT-Formation Treatment 233434 INT-Tubular Hauling/Inspection 1NT-Flow Crew & Equipment INT-Flow Crew & Equipment 233440 INT-Flow Crew & Equipment 233441 INT-Flow Crew & Equipment 233442 INT-Consultants 233443 INT-Consultants 233444 INT-Consultants 233445 INT-Operations Support Center <td>90,500.00 25,000.00 3,000.00 33,000.00 0.00 0.00 0.0</td> <td>0.00 0.00 0.00 0.00 60,000.00 17,000.00 245,000.00 124,000.00</td> <td>Formation: Property. Completion 12,000,00 0.00 0.00 0.00 0.00 0.00</td> <td>0.00 0.00 0.00</td> <td>Osw 656: TOT 102,500</td>	90,500.00 25,000.00 3,000.00 33,000.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 60,000.00 17,000.00 245,000.00 124,000.00	Formation: Property. Completion 12,000,00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00	Osw 656: TO T 102,500
County, State Kingfisher, Oklahoma Code Work Description 233400 INT-Les Roads, Location, Pits 233401 INT-Damages/Row 233402 INT-Governmental Filings 233403 INT-Title Opinions 233409 INT-File Opinions 233410 INT-Dnling Contractor 233411 INT-Directional Services 233413 INT-Rig Mob/Demobilization 1NT-Rig Mob/Demobilization INT-Styplies & Utilities 233418 INT-Mud Logging 1NT-Duffling/Completion Fluids, Mud, Chem 1NT-Downhole Rental Equipment 1NT-Downhole Rental Equipment 1NT-Downhole Rental Equipment 1NT-Flowflover/Completion Unit 233443 INT-Formation Treatment 233435 INT-Tibular Hauling/Inspection 1NT-Flow Crew & Equipment INT-Flowcak Hauloff 1NT-Consultants INT-Consultants 2334440 INT-Consultants 1NT-Operations Support Center INT-Operations Support Center	90,500.00 25,000.00 3,000.00 33,000.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 60,000.00 17,000.00 245,000.00 124,000.00	Property. Completion 12,000.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00	6569 TOT 102,500
Code	90,500.00 25,000.00 3,000.00 33,000.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 60,000.00 17,000.00 245,000.00 124,000.00	Completion 12,000.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00	TOT 102,500
233400 INT-Lse Roads, Location, Pits 233401 INT-Damages/Row 233402 INT-Governmental Filings 233403 INT-Itle Opinions 233405 INT-Reclamation 233407 INT-Drilling Contractor 233411 INT-Directional Services 233415 INT-Brits 233416 INT-Supplies & Utilities 233418 INT-Supplies & Utilities 233419 INT-Downhole Rental Equipment 233420 INT-Downhole Rental Equipment 233431 INT-Formation Treatment 233432 INT-Formation Treatment 233433 INT-Formation Treatment 233434 INT-Formation Labor 233440 INT-Flow Crew & Equipment 233441 INT-Flow Crew & Equipment 233442 INT-Consultants 233443 INT-Consultants 233444 INT-Insurance 233445 INT-Operations Support Center	90,500.00 25,000.00 3,000.00 33,000.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 60,000.00 17,000.00 245,000.00 124,000.00	12,000.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00	102,500
233401 INT-Damages/Row Filings 233402 INT-Governmental Filings 233403 INT-Greclamation 233409 INT-Fuel 233410 INT-Diling Contractor 133411 INT-Directional Services 233413 INT-Bits 233415 INT-Bits 1NT-Supplies & Utilities 233418 INT-Mul Logging 233419 INT-Downhole Rental Equipment 233420 INT-Downhole Rental Equipment 233431 INT-Formation Treatment 233432 INT-Formation Treatment 233433 INT-Tubular Hauling/Inspection 233443 INT-Townical Labor 233440 INT-Flowack Hauloff 233441 INT-Flow Crew & Equipment 233442 INT-Supervision 233443 INT-Consultants 233444 INT-Consultants 233445 INT-Operations Support Center	25,000.00 3,000.00 33,000.00 0.00 0.00 0.0	0.00 0.00 0.00 60,000.00 17,000.00 245,000.00 124,000.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00	
233402 INT-Governmental Filings 233403 INT-Title Opinions 233409 INT-Reclamation 233410 INT-Diffectional Services 233411 INT-Directional Services 233413 INT-Rig Mob/Demobilization 233415 INT-Bits 233418 INT-Supplies & Utilities 233418 INT-Mud Logging 233429 INT-Downhole Rental Equipment 233430 INT-Downhole Rental Equipment 233431 INT-Formation Treatment 233432 INT-Formation Treatment 233433 INT-Trechnical Labor 233440 INT-Flow Crew & Equipment 233441 INT-Flow Crew & Equipment 233442 INT-Supervision 233443 INT-Consultants 233444 INT-Overhead 33445 INT-Operations Support Center	3,000,00 33,000,00 0,00 0,00 0,00 0,00	0.00 0.00 60,000.00 17,000.00 245,000.00 124,000.00	0.00 0.00 0.00 0.00	0.00	25,000
233405 INT-Reclamation 233410 INT-Fuel 233411 INT-Diling Contractor 233413 INT-Bits 233415 INT-Bits 1NT-Supplies & Utilities 233418 INT-Mult Logging 233419 INT-Dolling/Completion Fluids, Mud, Chem 1NT-Downhole Rental Equipment INT-Workover/Completion Unit 233430 INT-Formation Treatment 133431 INT-Direct Labor 233432 INT-Tubular Hauling/Inspection 233433 INT-Technical Labor 2334440 INT-Flowack Hauloff 233441 INT-Flowack Hauloff 233442 INT-Supervision 334434 INT-Consultants 233444 INT-Consultants 233444 INT-Contributed 233445 INT-Insurance 233448 INT-Insurance 233449 INT-Insurance 233449 INT-Insurance 233449 INT-Insurance 233449 INT-Operations Support Center	0.00 0.00 0.00 0.00 0.00 0.00 0.00	60,000.00 17,000.00 245,000.00 124,000.00	0.00 0.00		3,000
233409 INT-Fuel 233411 INT-Directional Services 233411 INT-Directional Services 233413 INT-Rig Mob/Demobilization 233416 INT-Bug Instance 233418 INT-Supplies & Utilities 233419 INT-Duff Logging 233429 INT-Downhole Rental Equipment 1NT-Downhole Rental Equipment INT-Downhole Rental Equipment 233430 INT-Formation Treatment 233431 INT-Formation Treatment 233432 INT-Tibubular Hauling/Inspection 1NT-Flow Crew & Equipment INT-Flow Crew & Equipment 233440 INT-Consultants 233441 INT-Consultants 233442 INT-Overhead 33443 INT-Insurance 233444 Contingencies 33445 INT-Operations Support Center	0.00 0.00 0.00 0.00 0.00 0.00	17,000.00 245,000,00 124,000.00	0.00	0.00	33,000
233410 INT-Drilling Contractor 233411 INT-Directional Services 233413 INT-Rig Mob/Demobilization 233415 INT-Bits 233416 INT-Supplies & Utilities 233417 INT-Mud Logging 233419 INT-Drilling/Completion Fluids, Mud, Chem 233420 INT-Drilling/Completion Fluids, Mud, Chem 233431 INT-Drownhole Rental Equipment 233432 INT-Formation Treatment 233433 INT-Formation Treatment 233434 INT-Formation Treatment 233439 INT-Tubular Hauling/Inspection 233440 INT-Flow Crew & Equipment 233441 INT-Gonsultants 233442 INT-Consultants 233443 INT-Insurance 233444 INT-Insurance 233445 INT-Operations Support Center	0,00 0,00 0,00 0,00 0,00 0,00	245,000,00 124,000.00		0.00	60,000
233411 INT-Directional Services 233415 INT-Rig Mob/Demobilization 233415 INT-Bits 233416 INT-Supplies & Utilities 233419 INT-Downhole Rental Equipment 233428 INT-Downhole Rental Equipment 233430 INT-Workover/Completion Unit 233431 INT-Formation Treatment 1NT-Direct Labor INT-Tubular Hauling/Inspection 233433 INT-Technical Labor 233444 INT-Flowback Hauloff 233441 INT-Flow Crew & Equipment 233442 INT-Consultants 233443 INT-Overthead 233444 INT-Insurance 233445 Contingencies 233445 INT-Operations Support Center	0.00 0.00 0.00 0.00 0.00	124,000.00		0.00	17,000
233413 INT-Rig Mob/Demobilization 233415 INT-Bits 233416 INT-Supplies & Utilities 233418 INT-Mud Logging 233428 INT-Downhole Rental Equipment 233429 INT-Downhole Rental Equipment 233430 INT-Formation Treatment 233431 INT-Formation Treatment 233432 INT-Tibubular Hauling/Inspection 233433 INT-Technical Labor 233440 INT-Flow Crew & Equipment 233441 INT-Supervision 233442 INT-Consultants 233443 INT-Consultants 233444 INT-Insurance 233445 Contingencies 33445 INT-Operations Support Center	0.00 0.00 0.00 0.00		0,00 0,00	0.00 0.00	245,000
233415 INT-Bits 233416 INT-Bits 233417 INT-Mud Logging 233419 INT-Drilling/Completion Fluids, Mud, Chem 233429 INT-Downhole Rental Equipment 133430 INT-Formation Treatment 233431 INT-Formation Treatment 233432 INT-Forest Labor 1NT-Technical Labor INT-Flowback Hauloff 233440 INT-Flow Crew & Equipment 233441 INT-Consultants 233443 INT-Consultants 233444 INT-Overthead 233447 INT-Insurance 233448 Contingencies 233449 INT-Insurance 233448 INT-Insurance 233449 INT-Operations Support Center	0.00 0.00 0.00		0.00	0.00	124,000 150,000
233416 INT-Supplies & Utilities 233419 INT-Mud Logging 233419 INT-Dilling/Completion Fluids, Mud, Chem INT-Downhole Rental Equipment INT-Downhole Rental Equipment 233434 INT-Formation Treatment 233435 INT-Formation Treatment 233438 INT-Tubular Hauling/Inspection 233439 INT-Technical Labor 233440 INT-Flowback Hauloff 233441 INT-Flow Crew & Equipment 233442 INT-Consultants 233443 INT-Overthead 233444 INT-Insurance 233445 Contingencies 233445 INT-Operations Support Center	0.00 0.00	57,500.00	0.00	0.00	57,500
233418 INT-Mud Logging 233429 INT-Downhole Rental Equipment 233420 INT-Downhole Rental Equipment 233431 INT-Workover/Completion Unit 233432 INT-Formation Treatment 233433 INT-Firemation Treatment 233434 INT-Tubular Hauling/Inspection 233443 INT-Technical Labor 233444 INT-Flow Crew & Equipment 233443 INT-Supervision 233444 INT-Consultants 233444 INT-Consultants 233447 INT-Insurance 233448 Contingencies 33445 INT-Operations Support Center		5,500.00	1,000.00	0.00	6,500
233428 INT-Downhole Rental Equipment 233430 INT-Workover/Completion Unit 233431 INT-Formation Treatment 233432 INT-Direct Labor 233433 INT-Tubular Hauling/Inspection 233443 INT-Flowback Hauloff 233441 INT-Flowback Hauloff 233442 INT-Supervision INT-Consultants INT-Consultants 233444 INT-Overhead 333445 INT-Insurance 233448 Contingencies INT-Operations Support Center	0.00	4.000.00	0.00	0.00	4,000
233430 INT-Workover/Completion Unit 233434 INT-Formation Treatment 233435 INT-Direct Labor 233438 INT-Tubular Hauling/Inspection 233440 INT-Flowback Hauloff 233441 INT-Flow Crew & Equipment 233443 INT-Supervision 233444 INT-Consultants 233445 INT-Overthead 33446 INT-Insurance 233447 INT-Insurance 233448 Contingencies 33449 INT-Operations Support Center	0.00	70,000.00	40,850.00	0.00	110,859
233434 INT-Formation Treatment 233435 INT-Direct Labor 233439 INT-Tubular Hauling/Inspection 233440 INT-Flowback Hauloff 233441 INT-Flow Crew & Equipment 233443 INT-Supervision INT-Consultants INT-Overhead 233444 INT-Insurance 233445 Contingencies 233448 INT-Insurance 233449 Contingencies 233445 INT-Operations Support Center	0.00	30,000.00	0.00	0.00	30,000
233435 INT-Direct Labor 233439 INT-Tubular Hauling/Inspection 233439 INT-Flowback Hauloff 233440 INT-Flowback Hauloff 233441 INT-Flow Crew & Equipment 233443 INT-Supervision INT-Consultants INT-Overhead 233444 INT-Insurance 233445 Contingencies 233448 INT-Insurance 233448 INT-Operations Support Center	0.00	0.00	10,000.00	0.00	10,000
233438 INT-Tubular Hauling/Inspection 233449 INT-Technical Labor 233440 INT-Flow Act Hauloff 233441 INT-Flow Crew & Equipment 233442 INT-Supervision 233443 INT-Consultants 233444 INT-Overhead 233447 INT-Insurance 233448 Contingencies 233449 INT-Insurance 233448 INT-Operations Support Center	0.00	0.00	205,800.00	0.00	205,800
233439 INT-Technical Labor 233441 INT-Flowback Hauloff 233441 INT-Flow Crew & Equipment 233443 INT-Consultants 233444 INT-Overhead 233445 INT-Insurance 233448 Contingencies INT-Operations Support Center	0.00	4,000.00 6,500.00	0.00 5,000.00	0.00 0.00	4,000
233440 INT-Flowback Hauloff 233441 INT-Flow Crew & Equipment 233443 INT-Supervision 1NT-Consultants INT-Overhead 233444 INT-Insurance 233447 INT-Insurance 233448 Contingencies 233449 INT-Operations Support Center	0.00	5,000.00	5,000.00 00.0	0.00	11,500 5,000
233441 INT-Flow Crew & Equipment 233443 INT-Supervision 233444 INT-Consultants 233445 INT-Overhead 233447 INT-Insurance 233448 Contingencies 233449 INT-Operations Support Center	0.00	0.00	0.00	18,000.00	18,00
233443 INT-Supervision 233444 INT-Consultants 233446 INT-Overthead 233447 INT-Insurance 233448 Contingencies 233454 INT-Operations Support Center	0.00	0.00	3,600.00	21,000.00	24,600
233446 INT-Overhead 233447 INT-Insurance 233448 Contingencies 233454 INT-Operations Support Center	0.00	4,000.00	0.00	0.00	4,000
233447 INT-Insurance 233448 Contingencies 233454 INT-Operations Support Center	0.00	34,000.00	13,100.00	0.00	47,100
233448 Contingencies 233454 INT-Operations Support Center	0.00	6,000.00	0.00	12,890.00	18,890
233454 INT-Operations Support Center	0.00	10,000.00	0.00	0.00	10,000
	0.00	0.00	0.00	0.00	(
	0.00	1,100.00	0.00	0.00	1,100
233461 INT-Contract Labor-EHS 233462 INT-Contract Labor-Camp Services	1,700.00 0.00	0.00	4,000.00	4,000.00	9,700
233464 INT-Contract Labor-BOP/Wellhead Services	0.00	5,500.00 17.000.00	7,000.00 20,000.00	0.00 00.0	12,500 37,000
233465 INT-Contract Labor-Operational Services	0.00	21,200.00	15,000.00	0.00	36,200
233467 INT-Contract Labor-Pipe Handling Services	0.00	41,000.00	0.00	0.00	41,000
233468 INT-Contract Labor-Transportation	0.00	10,000.00	0.00	1,630.00	11.630
233474 INT-8-9 5/8" Cement	0.00	15,000,00	0.00	0.00	15,000
233475 INT-7-7 3/4" Cement	0.00	12,000.00	0.00	0,00	12,000
233476 INT-3 1/2-5 1/2" Cement/Squeeze	0,00	15,000.00	0,00	0.00	15,000
233481 INT-Surface Rental-EHS	0.00	3,675.00	3,500.00	0.00	7,175
233482 INT-Surface Rental-Camp Equipment 233484 INT-Surface Rental-BOP/Wellhead/Well Control	0.00	10,500.00	7,000.00	0.00	17,500
233485 INT-Surface Rental-Operational Equipment	0.00 0.00	8,400.00 8,400.00	2,000.00 39,000.00	0.00 0.00	10,400 47,400
233486 INT-Surface Rental-Electronics & Communication	0.00	11,288.00	0.00	0.00	11,288
233487 INT-Surface Rental-Fluid Management Equipment	0.00	18,375.00	5,000.00	4,970.00	28,345
Fotal Intangibles:	153,200.00	1,030,938.00	393,850.00	62,490.00	1,640,478
30104 TAN-Float Equipment	0.00	8,000.00	0.00	0.00	8,000
30105 TAN-Tubing 2-7/8" 5,000'	0.00	0.00	35,000.00	0.00	35,000
230106 TAN-Wellhead Equipment	0.00	13,600.00	24,000.00	0.00	37,600
30107 TAN-Downhole Equipment 30113 TAN-Production Equipment	0.00	6,800.00 0.00	12,500.00	0.00	19,300
230113 TAN-Production Equipment Page 130117 TAN-ESP	0.00	0.00	0.00 0.00	202,350,00 208,000.00	202,350 208,000
230140 TAN-Production Equipment-Tanks	0.00	0.00	0.00	61,230.00	61,230
230141 TAN-Production Equipment-Vessels	0.00	0.00	0.00	116,470.00	116.470
30143 TAN-Production Equipment-Electrical Infrastructure	0.00	0.00	0.00	24.240.00	24,240
30174 TAN-8-9 5/8" Casing 9-5/8" 1,300"	0.00	44,000.00	0.00	0.00	44,000
30175 TAN-7-7 3/4" Casing/Liner 7" 6,600"	0.00	163,000.00	0.00	0.00	163,000
30176 TAN-3 1/2-5 1/2" Casing/Liner – 4-1/2" 4,675'	0.00	52,000,00	0,00	0.00	52,000
30401 TAN-Telemetry Equipment	0.00	0.00	0.00	40,650.00	40,650
33448 Contingencies	0.00	287,400.00	0.00	0.00	1011011
otal Tangibles:	0.00	Z6/ 400100		652,940.00	1,011,840
TOTAL COSTS			71,500.00		
Prepared By: Keeley Bergman	153,200.00	1,318,338.00	465,350.00	715,430,00	2,652,318
Non-Operator's Approval	153,200.00			715,430,00	2,652,318

AUG 1 0 2016

CD 20100 1663

542