

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

API NUMBER: 119 24216

Approval Date: 05/01/2014
Expiration Date: 11/01/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 21 Twp: 18N Rge: 2E County: PAYNE
SPOT LOCATION: NE NW NW NW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2361 334

Lease Name: JUDGE 21-18N-2E Well No: 2MH Well will be 279 feet from nearest unit or lease boundary.

Operator Name: AMERICAN ENERGY-WOODFORD LLC Telephone: 4054188001; 4054188 OTC/OCC Number: 23358 0

AMERICAN ENERGY-WOODFORD LLC
PO BOX 18756
OKLAHOMA CITY, OK 73154-0756

WALTER & LOUIS JUDGE REV TRUST
2626 MONROE STREET NE
ALBUQUERQUE NM 87110

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	4500	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 588364

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201402323
201402324

Special Orders:

Total Depth: 10800

Ground Elevation: 970

Surface Casing: 120

Depth to base of Treatable Water-Bearing FM: 70

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

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: WELLINGTON

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-26925
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 21 Twp 18N Rge 2E County PAYNE

Spot Location of End Point: SW SW SE SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 1415

Depth of Deviation: 4375

Radius of Turn: 890

Direction: 165

Total Length: 5027

Measured Total Depth: 10800

True Vertical Depth: 4675

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

Notes:

Category	Description
PENDING CD - 201402323	4/22/2014 - G75 - 21-18N-2E X588364 MSSP 1 WELL NO OP. NAMED REC 4-29-2014 (NORRIS)
PENDING CD - 201402324	4/22/2014 - G75 - (I.O.) 21-18N-2E X588364 MSSP, OTHER COMPL. INT. NCT 165 FNL, NCT 165 FSL, NCT 660 FWL NO OP. NAMED REC 4-29-2014 (NORRIS)
SPACING - 588364	4/22/2014 - G75 - (640)(HOR) 21-18N-2E VAC 115813 MISS EST MSSP, OTHER POE TO BHL NCT 660' FB (SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS)