

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

API NUMBER: 119 24225

Approval Date: 05/21/2014
Expiration Date: 11/21/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 33 Twp: 18N Rge: 3E County: PAYNE
SPOT LOCATION: NE NW NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 220 847

Lease Name: NELSON 33-18N-3E Well No: 1WH Well will be 220 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

KENNETH W. NELSON
10401 SOUTH LOCKWOOD
PERKINS OK 74059

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	4250	6	
2	WOODFORD	4385	7	
3	MISENER-HUNTON	4400	8	
4			9	
5			10	

Spacing Orders: 621844
621650

Location Exception Orders: 625528

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 10500

Ground Elevation: 970

Surface Casing: 340

Depth to base of Treatable Water-Bearing FM: 290

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: OSCAR

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-26834
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 33 Twp 18N Rge 3E County PAYNE

Spot Location of End Point: SW SE SE SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 410

Depth of Deviation: 4200

Radius of Turn: 509

Direction: 170

Total Length: 5500

Measured Total Depth: 10500

True Vertical Depth: 4400

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

Notes:

Category

Description

BOTTOM-HOLE LOCATION

5/21/2014 - G75 - 165' FSL, 410' FEL SE4 33-18N-3E PER OPERATOR

LOCATION EXCEPTION - 625528

5/21/2014 - G75 - (I.O.) 33-18N-3E
X621650 MSRH
X621844 MSSP, WDFD
COMPL. INT. NCT 165 FNL, NCT 165 FSL, NCT 330 FEL
AMERICAN ENERGY-WOODFORD, LLC
5-16-2014

SPACING - 621650

5/21/2014 - G75 - (640)(HOR) 33-18N-3E
EXT 593301 MSRH
POE TO BHL NCT 660' FB
(SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS)

SPACING - 621844

5/21/2014 - G75 - (640)(HOR) 33-18N-3E
EXT 593302 MSSP, WDFD
EST OTHER
POE TO BHL (MSSP) NCT 660' FB
POE TO BHL (WDFD) NCT 330' FB
(SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS)

SURFACE LOCATION

5/21/2014 - G75 - 220' FNL, 847' FEL NE4 33-18N-3E PER SURVEY PLAT;

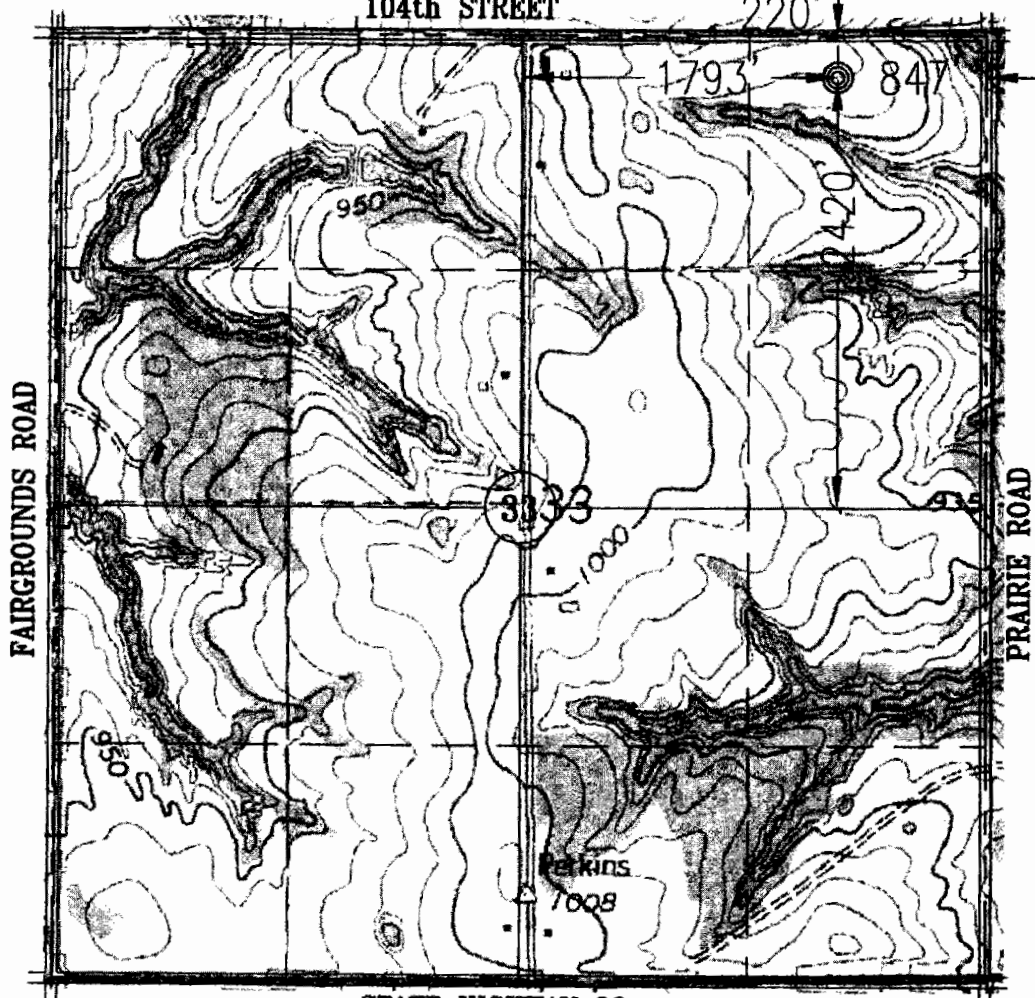
APT 119-24225

PROPOSED WELL LOCATION

PAYNE County, Oklahoma

220' FNL, 847' FEL-NE/4 Section 33, Township 18N, Range 3E I.M.

104th STREET



Scale: 1"=1000'
CONTOUR INTERVAL: 10'

STATE HIGHWAY 33

This location has been very carefully staked on the ground according to the best official survey records, maps, and photographs available to us, but its accuracy is not guaranteed. Review this plat and notify us immediately at any possible discrepancy.

Distances shown in are calculated based upon the Quarter Section being 2640 feet, those shown in [brackets] are based on GLO (General Land Office) distances and have not been measured.

Operator: AMERICAN ENERGY-WOODFORD, LLC

Lease Name: NELSON 33-18N-3E-1/4H

Topography & Vegetation: LOCATION FELL IN PASTURE LAND

Good Drill Site: YES

Best Accessibility to Location: FROM NORTH

Distance and Direction from Hwy Junction or Town: FROM THE INTERSECTION OF 104th STREET AND PRAIRIE ROAD WEST
0.18 MILES TO WELL PAD

ELEVATION:
970' GR. AT STAKE

Keystone Engineering and Land Surveying, Inc. CA #5877 Exp. 6/30/15 P.O. Box 436 Stillwater, OK. 74076 Ph. (405) 743-3355



CERTIFICATE:

W14-098

I, Carey E. Harris, an Oklahoma Professional Land Surveyor and an authorized agent of Keystone Engineering and Land Surveying, Inc., does hereby certify that on March 27th, 2014, the above described well location was surveyed on the ground as shown herein.

SEIA 31 Mar 14

Carey E. Harris, Oklahoma Professional Land Surveyor No. 1719

(THE FOLLOWING INFORMATION WAS GATHERED USING A GPS RECEIVER. ACCURACY ±3 FOOT.)

GPS DATUM: NAD-83
LATITUDE: 35°59'58" N
LONGITUDE: 96°59'01" W

STATE PLANE COORDINATES
ZONE: OK NORTH
X: 2269142
Y: 365375