API NUMBER: 119 24227

Oil & Gas

Horizontal Hole

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

Approval Date: 05/28/2014

Expiration Date: 11/28/2014

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 19N Rge: 3E County: PAYNE

SPOT LOCATION: SW SW SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 278 1597

Lease Name: ADAMS 30-19N-3E Well No: 2WH Well will be 278 feet from nearest unit or lease boundary.

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

AMERICAN ENERGY-WOODFORD LLC

PO BOX 18756

OKLAHOMA CITY, OK 73154-0756

FRANK W. & SANDRA J. ADAMS

2805 EAST 32ND

STILLWATER OK 74074

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

Name Depth Name Depth MISSISSIPPIAN 1 4240 6 2 WOODFORD 4375 7 MISENER 4425 8 3 SYLVAN 4430 9 10 611477 Spacing Orders: Location Exception Orders: Increased Density Orders:

Pending CD Numbers: 201403345 Special Orders:

201403343

Total Depth: 10500 Ground Elevation: 872 Surface Casing: 330 Depth to base of Treatable Water-Bearing FM: 80

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 D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-27218
Chlorides Max: 5000 Average: 3000
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

Chlorides Max: 5000 Average: 3000 H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST 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

HORIZONTAL HOLE 1

Sec 30 Twp 19N Rge 3E County **PAYNE** Spot Location of End Point: NW NW NW NE Feet From: NORTH 1/4 Section Line: 215 Feet From: EAST 1/4 Section Line: 2535

Depth of Deviation: 3617 Radius of Turn: 1326

Direction: 15 Total Length: 4800

Measured Total Depth: 10500 True Vertical Depth: 4430 End Point Location from Lease. Unit, or Property Line: 215

Notes:

Description Category

PENDING CD - 201403343 5/22/2014 - G75 - 30-19N-3E

> X611477 WDFD 3 WELLS

NO OP. NAMED HEARING 6-16-2014

PENDING CD - 201403345 5/22/2014 - G75 - (I.O.) 30-19N-3E

X611477 MSSP, WDFD, MSNR, SLVN

COMPL. INT. NCT 165 FSL, NCT 165 FNL, NCT 1980 FEL

NO OP. NAMED

REC 5-27-2014 (MCKEOWN)

5/22/2014 - G75 - (640)(HOR) 30-19N-3E EXT 605008 MSSP, WDFD, SLVN **SPACING - 611477**

EST MSNR

POE TO BHL (WDFD) NCT 330' FB POE TO BHL (OTHERS) NCT 660' FB

(SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS)