

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

API NUMBER: 119 24258 A

Approval Date: 08/14/2014
Expiration Date: 02/14/2015

Horizontal Hole Oil & Gas

Amend reason: NAME CHANGE

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 36 Twp: 19N Rge: 2E

County: PAYNE

SPOT LOCATION: SE SE SE SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 300 2461

Lease Name: WOODALL EXCHANGE 1-18N-2E

Well No: 1WH

Well will be 300 feet from nearest unit or lease boundary.

Operator Name: AMERICAN ENERGY-WOODFORD LLC

Telephone: 4056085574; 4054188

OTC/OCC Number: 23358 0

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

OKLAHOMA SCHOOL LAND TRUST
120 NORTH ROBINSON, SUITE 1000W
OKLAHOMA CITY OK 73102

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

Name	Depth	Name	Depth
1 WOODFORD	4488	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 611900

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201405314
201405310

Special Orders:

Total Depth: 10500

Ground Elevation: 938

Surface Casing: 410

Depth to base of Treatable Water-Bearing FM: 160

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

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

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 14-27850

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 01 Twp 18N Rge 2E County PAYNE

Spot Location of End Point: SW SE SE SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 2005

Depth of Deviation: 3976

Radius of Turn: 590

Direction: 360

Total Length: 4778

Measured Total Depth: 10500

True Vertical Depth: 4500

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

Notes:

Category	Description
PENDING CD - 201405310	8/11/2014 - G72 - 01-18N-02E X 611900 WDFD; 3 WELLS; NO OPER NAMED; REC 8/12/2014 (M PORTER)
PENDING CD - 201405314	8/11/2014 - G72 - 01-18N-02E (I.O.) X 611900 WDFD, OTHERS; COMP INT. NCT 165 FNL NCT 165 FSL NCT 1320 FWL; NO OPER NAMED; REC 8/12/2014 (M PORTER)
SPACING - 611900	8/11/2014 - G72 - (640 HORZ) 01-18N-02E EXT 609471 WDFD, OTHERS POE TO BHL NLT 330' FB