

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

API NUMBER: 119 24278

Approval Date: 09/26/2014
Expiration Date: 03/26/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 20 Twp: 18N Rge: 1E County: PAYNE
SPOT LOCATION: NE NW NE NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 230 1840

Lease Name: MCGUIRE 17-18N-1E Well No: 3MH Well will be 230 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

WILLIAM R. MCGUIRE, JR. & DORENE MCGUIRE
11565 HIGHWAY 7 EAST
CENTERVILLE TX 75833

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

Name	Depth	Name	Depth
1	MISSISSIPPIAN	4947	6
2			7
3			8
4			9
5			10

Spacing Orders: 600411

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201406481
201406480

Special Orders:

Total Depth: 11500

Ground Elevation: 1082

Surface Casing: 630

Depth to base of Treatable Water-Bearing FM: 380

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: 14-28230
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 17 Twp 18N Rge 1E County PAYNE

Spot Location of End Point: NW NE NW NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 1940

Depth of Deviation: 4152

Radius of Turn: 1401

Direction: 360

Total Length: 4400

Measured Total Depth: 11500

True Vertical Depth: 4947

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

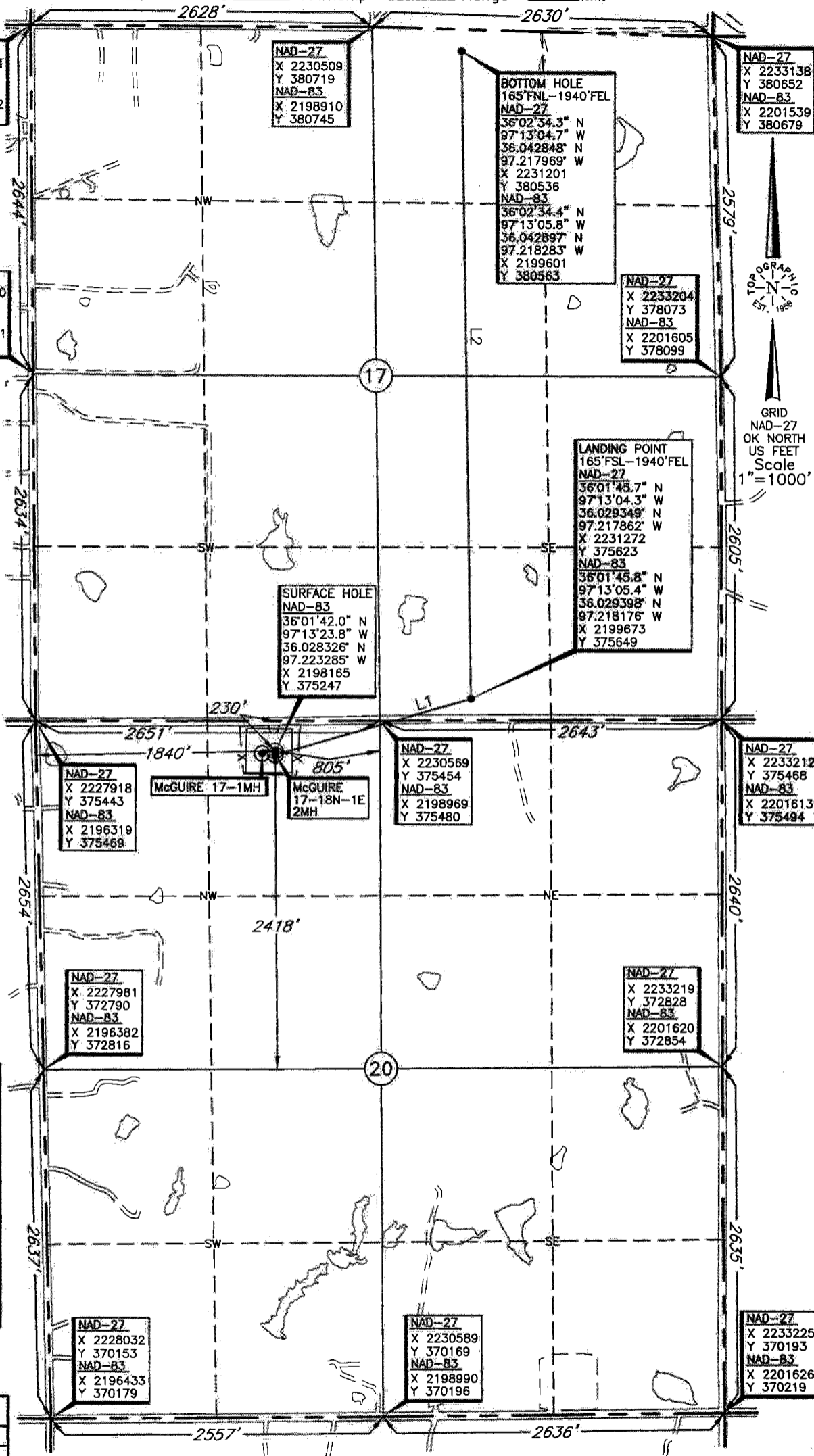
Notes:

Category	Description
PENDING CD - 201406481	9/18/2014 - G72 - 17-18N-1E (I.O.) X600411 MSSP COMP. INT. NCT 165 FNL, NCT 165 FSL, NCT 1320 FEL NO OP. NAMED REC 9/23/2014 (STUCK)
PENDING CD 201406480	9/18/2014 - G72 - 17-18N-1E X600411 MSSP 1 WELL, NO OPER NAMED, REC 9/23/2014 (STUCK)
SPACING - 600411	9/18/2014 - G72 - (640 HOR) 17-18N-1E DEL 209633 MSSP, OTHER EST MSSP, OTHERS POE TO BHL NCT 660' FB (SUPERCEDE EXISTING NON-DEVELOPED NON-HORIZONTAL SPACING UNITS)

119-24278

PAYNE County, Oklahoma

230'FNL-1840'FWL Section 20 Township 18N Range 1E I.M.



THE INFORMATION SHOWN HEREIN IS FOR CONSTRUCTION PURPOSES ONLY.
 BOTTOM HOLE, LANDING POINT, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.



Operator AMERICAN ENERGY - WOODFORD, LLC
 Lease Name McGUIRE 17-18N-1E
 Topography & Vegetation Loc. fell on existing pad, 30' N. of McGuire 17-18N-1E 2MH & 102' NE of McGuire 17-1MH

Well No. 3MH
 ELEVATION 1082' Gr. on existing pad

Good Drill Site? Yes
 Best Accessibility to Location From South off county road
 Distance & Direction From the junction of I-35 & St. Hwy 51, go ± 6.5 miles East on St. Hwy 51, then ± 5 miles South to the Northwest Corner of Section 20, T18N-R1E.
 Reference Stakes or Alternate Location Stakes Set None

LINE	DISTANCE
L1	1561'
L2	4914'

DATUM NAD-27
 LAT 36°01'41.8" N
 LONG 97°13'22.7" W
 LAT 36.028277° N
 LONG 97.222970° W
 STATE PLANE COORDINATES (US FEET)
 ZONE OK NORTH
 X 2229764
 Y 375221

Date of Drawing Sept. 2, 2014
 Invoice # 229595 Date Staked Aug. 28, 2014 NMB

CERTIFICATE

I, _____ a Oklahoma licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein.

PRELIMINARY
 Oklahoma Lic. No. _____

Information was gathered with a GPS receiver with ± 1 foot horizontal/vertical accuracy.

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

API NUMBER: **119-24278**

Approval Date:
 Expiration Date:

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 20 Twp: 18N Rge: 1E County: PAYNE
 SPOT LOCATION: NE NW NE NW NE NW NE NW
 SECTION LINES: 360 84

Application for Intent to Drill

Lease Name: **MCGUIRE 17-18N-1E** Well No: **3MH** Well will be **230** feet from nearest unit or lease boundary.

Operator Name: **AMERICAN ENERGY-WOODFORD LLC** Telephone: **4056085574; 4054188** DTG/OCC Number: **23358 0**

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

WILLIAM R. MCGUIRE, JR. AND DORENE MCGUIRE
 11565 HIGHWAY 7 EAST
 CENTERVILLE TX 75833

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	4947	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: **600411**

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201406481 **LE Hearing 9/23/2014**
 201406480 **ID " " " "**

Special Orders:

Total Depth: 11500 Ground Elevation: 1082 **Surface Casing: 630** Depth to base of Treatable Water-Bearing FM: 380

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

Pit
water based closed Chlorides max 5000 avg 3000

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-28230

H. Closed system = steel Pits Per Operator Request.

**TEMPORARY AUTHORIZATION
 TO DRILL**
 Expiration Date: **9/26/2014**
 Signature: *[Signature]*
 165:10-3-1-1

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 17 Twp 18N Rge 1E County FAYNE

Spot Location of End Point: NW NE NW NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 194

Depth of Deviation: 4152

Radius of Turn: 1401

Direction: 360

Total Length: 4400

Measured Total Depth: 11500

True Vertical Depth: 4900

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

Application for Intent to Drill

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.

000 00000 MCGUIRE 17-18N-1E 3MH