

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

API NUMBER: 119 24281

Approval Date: 10/03/2014
Expiration Date: 04/03/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 18N Rge: 1E

County: PAYNE

SPOT LOCATION: NW SW SW SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 378 193

Lease Name: YOST 8-18N-1E

Well No: 1MH

Well will be 193 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

YOST & HACKELMAN, LLC
P.O. BOX 98
STILLWATER OK 74076

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	4925	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201406825
201406824

Special Orders:

Total Depth: 10500

Ground Elevation: 973

Surface Casing: 480

Depth to base of Treatable Water-Bearing FM: 230

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: 14-28403
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 08 Twp 18N Rge 1E County PAYNE

Spot Location of End Point: NW NE NE NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 650

Depth of Deviation: 4131

Radius of Turn: 2075

Direction: 180

Total Length: 3876

Measured Total Depth: 10500

True Vertical Depth: 4925

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

Notes:

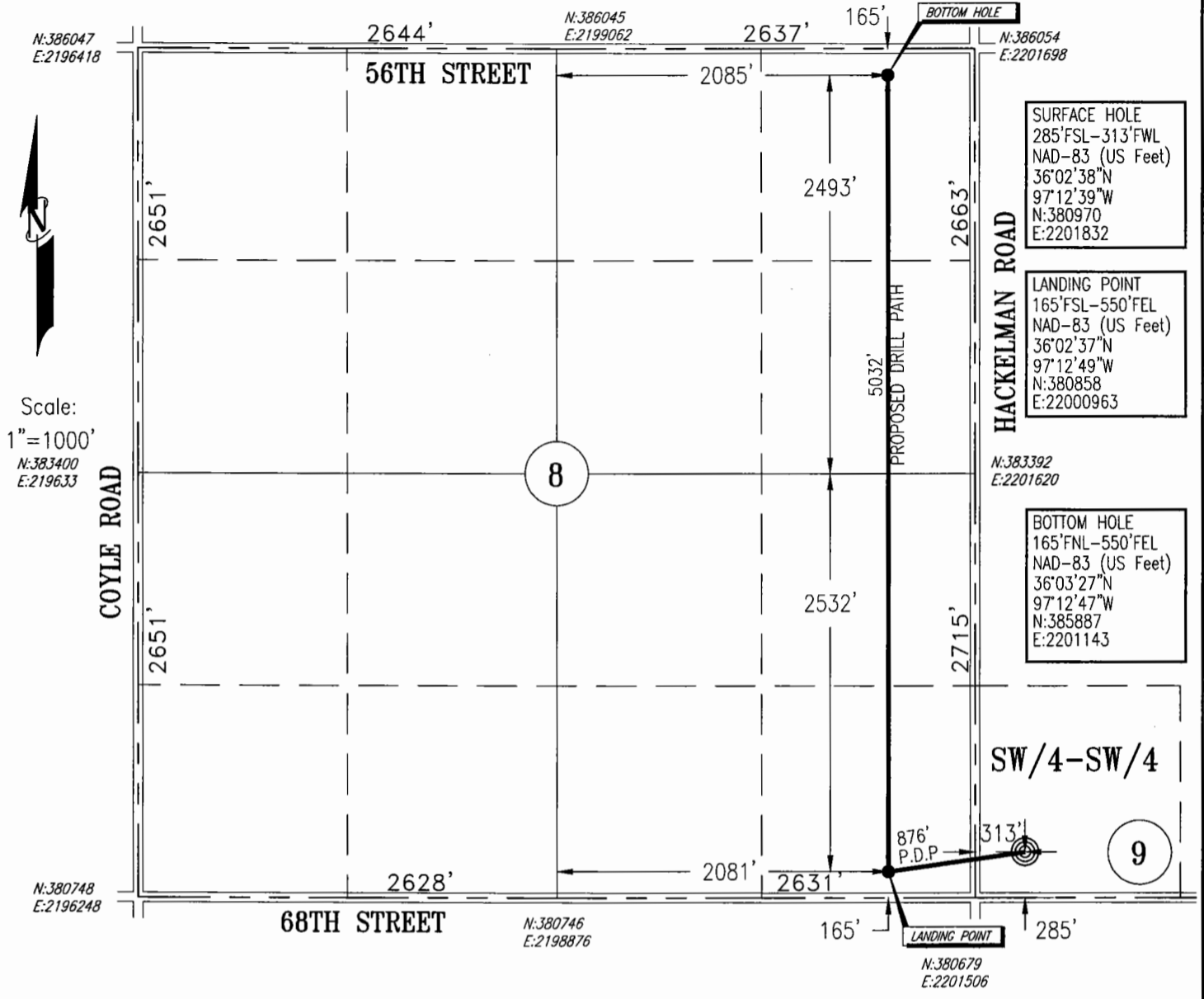
Category	Description
PENDING CD - 201406824	10/3/2014 - G72 - (640 HORZ) 08-18N-01E VAC 300802 & 209633 MSSP, OTHERS, EST OTHERS, EXT 572610 MSSP, REC 10/1/2014 (M PORTER)
PENDING CD - 201406825	10/3/2014 - G72 - 08-18N-01E (I.O.) X 201406824 MSSP COMP INT. NCT 165 FNL NCT 165 FSL NCT 330 FEL NO OPER MANED REC 10/1/2014 (M PORTER)

PROPOSED WELL LOCATION

119-24281

PAYNE County, Oklahoma

285' FSL, 313' FWL SW/4 Section 9, Township 18N, Range 1E I.M.



Bottom Hole, Landing Point, and Drill Path information provided by operator listed, NOT Surveyed; distance between drill paths are calculated.

Operator: AMERICAN ENERGY-WOODFORD, LLC

Lease Name: YOST 8-18N-1E

Well No.: 1MH

Topography & Vegetation: LOCATION FELL IN PASTURE LAND

Good Drill Site: YES

Best Accessibility to Location: FROM SOUTH OR WEST

Distance and Direction from Hwy Junction or Town: FROM THE INTERSECTION OF HACKELMAN ROAD AND 68TH STREET EAST 0.30 MILES TO WELL PAD

ELEVATION:

973' 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:

W14-253

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 September 25, 2014, the above described well location was surveyed on the ground as shown herein.

[Signature]
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: 36°02'38" N
 LONGITUDE: 97°12'39" W
 STATE PLANE COORDINATES
 ZONE: OK NORTH
 X: 2201832
 Y: 380970