

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

API NUMBER: 119 24294

Approval Date: 10/24/2014  
Expiration Date: 04/24/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 34 Twp: 18N Rge: 1E County: PAYNE  
SPOT LOCATION:  NW  NW  NE  NW FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 251 1495

Lease Name: WAYNE 27-18N-1E Well No: 1MH Well will be 251 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

WAYNE ALLEN BOYCE  
9308W. 116TH  
COYLE OK 73027

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	4900	6	
2	WOODFORD	5300	7	
3	MISENER-HUNTON	5400	8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201404692  
201404693

Special Orders:

Total Depth: 11000 Ground Elevation: 1062 **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: No

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: 14-27765  
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 27 Twp 18N Rge 1E County PAYNE

Spot Location of End Point: NE NW NW NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 600

Depth of Deviation: 2810

Radius of Turn: 780

Direction: 360

Total Length: 4420

Measured Total Depth: 11000

True Vertical Depth: 5400

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

Notes:

Category	Description
PENDING CD - 201404692	7/29/2014 - G72 - (640 HORZ) 27-18N-01E VAC 114771 MSSP; EST OTHERS (640) EXT 572610 MSSP; EST WDFD, MSRH; REC 10/17/2014 (OSBURN)
PENDING CD - 201404693	7/29/2014 - G72 - 27-18N-01E (I.O.) X 201404692 MSSP, WDFD, MSRH; COMP INT. NCT 165 FNL NCT 165 FSL NCT 330 FWL; NO OPER NAMED; REC 10/17/2014 (OSBURN)

This permit does not address the right of entry or settlement of surface damages.  
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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.