

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

API NUMBER: 119 24297

Approval Date: 10/28/2014
Expiration Date: 04/28/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 14 Twp: 18N Rge: 4E County: PAYNE
SPOT LOCATION: SE SE SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 200 1100

Lease Name: FIELD 23-18N-4E Well No: 1MH Well will be 200 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

DWIGHT & DEBORAH FIELD
14421 E 74TH
STILLWATER OK 74074

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

Name	Depth	Name	Depth
1	MISSISSIPPIAN	3765	6
2			7
3			8
4			9
5			10

Spacing Orders: 623500

Location Exception Orders: 631805

Increased Density Orders:

Pending CD Numbers: 201406208

Special Orders:

Total Depth: 10000

Ground Elevation: 880

Surface Casing: 290

Depth to base of Treatable Water-Bearing FM: 40

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 14-28396

H. CLOSED SYSTEM=STEEL PITS REQUIRED (CIMARRON RIVER)

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 23 Twp 18N Rge 4E County PAYNE

Spot Location of End Point: SE SE SE SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 2380

Depth of Deviation: 3275

Radius of Turn: 1177

Direction: 160

Total Length: 4876

Measured Total Depth: 10000

True Vertical Depth: 3765

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

Notes:

Category	Description
LOCATION EXCEPTION - 631805	10/28/2014 - G91 - (I.O.) 23-18N-4E X 623500 MSSP COMPL. INT. NCT 165 FNL, NCT 165 FSL, NCT 660 FWL AMERICAN ENERGY-WOODFORD, LLC. 10-14-2014
PENDING CD - 201406208	10/28/2014 - G91 - 23-18N-4E X 623500 MSSP 2 WELLS NO OP. NAMED REC. 10-7-2014 (N. STUCK)
SPACING - 623500	10/28/2014 - G91 - (640)(HOR) 23-18N-4E EXT 611426 MSSP, OTHERS POE TO BHL NCT 660'FB (SUPERCEDE NON-DEVELOP NON-HORIZONTAL SPACING UNITS; COEXIST WITH VOLUNTARY MISS UNIT, S2)

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Office of the Conservation Division as to when Surface Casing will be run.