

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

API NUMBER: 119 24310

Approval Date: 11/24/2014  
Expiration Date: 05/24/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 03 Twp: 17N Rge: 4E County: PAYNE  
SPOT LOCATION:  SW  SE  SW  SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 287 1931

Lease Name: TARVER 3-17N-4E Well No: 1MH Well will be 287 feet from nearest unit or lease boundary.

Operator Name: AMERICAN ENERGY-WOODFORD LLC Telephone: 4056085540; 4054188 OTC/OCC Number: 23358 0

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

LINDA TARVER  
215 S. BRETHERN  
CUSHING OK 74023

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	3910	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 591937

Location Exception Orders: 633237

Increased Density Orders: 633236

Pending CD Numbers:

Special Orders:

Total Depth: 9100

Ground Elevation: 885

**Surface Casing: 500**

Depth to base of Treatable Water-Bearing FM: 250

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: VANOSS

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-28856

H. CLOSED SYSTEM=STEEL PITS REQUIRED (CUSHING LAKE)

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 03 Twp 17N Rge 4E County PAYNE

Spot Location of End Point: NE NE NE NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 2420

Depth of Deviation: 3410

Radius of Turn: 481

Direction: 357

Total Length: 4934

Measured Total Depth: 9100

True Vertical Depth: 4125

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

Notes:

Category	Description
INCREASED DENSITY - 633236	11/24/2014 - G91 - (E.O.) 3-17N-4E X591937 MSSP 2 WELLS AMERICAN ENERGY-WOODFORD, LLC. 11-19-2014
LOCATION EXCEPTION - 633237	11/24/2014 - G91 - (E.O.) 3-17N-4E X591937 MSSP COMPL. INT. NCT 165 FNL, NCT 165 FSL, NCT 1320 FWL AMERICAN ENERGY-WOODFORD, LLC. 11-19-2014
SPACING - 591937	11/24/2014 - G91 - (640)(HOR) 3-17N-4E EST MSSP, OTHERS POE TO BHL NCT 660' FB (SUPERCEDE NON-DEVELOP NON-HORIZONTAL SPACING UNITS)

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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.