

API No. 42-383-39202		RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER <small>This facsimile W-1 was generated electronically from data submitted to the RRC. A certification of the automated data is available in the RRC's Austin office.</small>				FORM W-1 07/2004	
Drilling Permit # 797056 SWR Exception Case/Docket No.						Permit Status: Approved	
1. RRC Operator No. 017996		2. Operator's Name (as shown on form P-5, Organization Report) AMERICAN ENERGY-PERM BASIN, LLC			3. Operator Address (include street, city, state, zip): PO BOX 13710 OKLAHOMA CITY, OK 73113-0000		
4. Lease Name UNIVERSITY 09		5. Well No. 0806H					
GENERAL INFORMATION							
6. Purpose of filing (mark ALL appropriate boxes): <input checked="" type="checkbox"/> New Drill <input type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input type="checkbox"/> Re-Enter <input checked="" type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)							
7. Wellbore Profile (mark ALL appropriate boxes): <input type="checkbox"/> Vertical <input checked="" type="checkbox"/> Horizontal (Also File Form W-1H) <input type="checkbox"/> Directional (Also File Form W-1D) <input type="checkbox"/> Sidetrack							
8. Total Depth 13000		9. Do you have the right to develop the minerals under any right-of-way ? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
SURFACE LOCATION AND ACREAGE INFORMATION							
11. RRC District No. 7C		12. County REAGAN		13. Surface Location <input checked="" type="checkbox"/> Land <input type="checkbox"/> Bay/Estuary <input type="checkbox"/> Inland Waterway <input type="checkbox"/> Offshore			
14. This well is to be located 11.2 miles in a NW direction from Big Lake which is the nearest town in the county of the well site.							
15. Section 8		16. Block 9	17. Survey UL	18. Abstract No. A-U178	19. Distance to nearest lease line: 100 ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: 4522.29	
21. Lease Perpendiculars: 7417.7 ft from the W line and 7195 ft from the N line.							
22. Survey Perpendiculars: 2138 ft from the W line and 1864 ft from the N line.							
23. Is this a pooled unit? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		24. Unitization Docket No:		25. Are you applying for Substandard Acreage Field? <input type="checkbox"/> Yes (attach Form W-1A) <input checked="" type="checkbox"/> No			
FIELD INFORMATION List all fields of anticipated completion including Wildcat. List one zone per line.							
26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)		29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	
7C	53613750	LIN (WOLFCAMP)		Oil or Gas Well	13000	330.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)							
Remarks [FILER Oct 8, 2014 3:01 PM]: Amended TD				Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge.			
				Bill Spencer, Consultant Oct 08, 2014 Name of filer Date submitted			
RRC Use Only Data Validation Time Stamp: Oct 15, 2014 3:59 PM('As Approved' Version)				(512)9181062 bill@spencerconsulting.org Phone E-mail Address (OPTIONAL)			

Permit Status:	Approved
The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.	

**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION**

Form W-1H
Supplemental Horizontal Well Information

07/2004

APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.

Permit #	797056
Approved Date:	Oct 15, 2014

1. RRC Operator No. 017996	2. Operator's Name (exactly as shown on form P-5, Organization Report) AMERICAN ENERGY-PERM BASIN, LLC	3. Lease Name UNIVERSITY 09	4. Well No. 0806H
Lateral Drainhole Location Information			
5. Field as shown on Form W-1 LIN (WOLFCAMP) (Field # 53613750, RRC District 7C)			
6. Section 5	7. Block 9	8. Survey UL	9. Abstract
		10. County of BHL REAGAN	
11. Terminus Lease Line Perpendiculars 50 ft. from the N line. and 330 ft. from the E line			
12. Terminus Survey Line Perpendiculars 50 ft. from the N line. and 2969 ft. from the E line			
13. Penetration Point Lease Line Perpendiculars 7095 ft. from the N line. and 7588.9 ft. from the W line			

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

Page 3 of 5

**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION**

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

PERMIT NUMBER 797056	DATE PERMIT ISSUED OR AMENDED (AMENDED) Oct 15, 2014	DISTRICT * 7C										
API NUMBER 42-383-39202	FORM W-1 RECEIVED Oct 08, 2014	COUNTY REAGAN										
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Horizontal	ACRES 4522.29										
OPERATOR AMERICAN ENERGY-PERM BASIN, LLC PO BOX 13710 OKLAHOMA CITY, OK 73113-0000		NOTICE This permit and any allowable assigned may be revoked if payment for fee(s) submitted to the Commission is not honored. District Office Telephone No: (325) 657-7450										
LEASE NAME UNIVERSITY 09		WELL NUMBER 0806H										
LOCATION 11.2 miles NW direction from BIG LAKE		TOTAL DEPTH 13000										
Section, Block and/or Survey SECTION 8 BLOCK 9 ABSTRACT U178 SURVEY UL												
DISTANCE TO SURVEY LINES 2138 ft. W 1864 ft. N		DISTANCE TO NEAREST LEASE LINE 100 ft.										
DISTANCE TO LEASE LINES 7417.7 ft. W 7195 ft. N		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below										
FIELD(s) and LIMITATIONS: <p style="text-align: center;">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</p>												
<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">FIELD NAME</td> <td style="width: 15%;">ACRES</td> <td style="width: 15%;">DEPTH</td> <td style="width: 10%;">WELL #</td> <td style="width: 10%;">DIST</td> </tr> <tr> <td>LEASE NAME</td> <td>NEAREST LEASE</td> <td></td> <td>NEAREST WE</td> <td></td> </tr> </table> <p>This well must comply to the new SWR 3.13 requirements concerning the isolation of any potential flow zones and zones with corrosive formation fluids. See approved permit for those formations that have been identified for the county in which you are drilling the well in.</p>			FIELD NAME	ACRES	DEPTH	WELL #	DIST	LEASE NAME	NEAREST LEASE		NEAREST WE	
FIELD NAME	ACRES	DEPTH	WELL #	DIST								
LEASE NAME	NEAREST LEASE		NEAREST WE									

RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION
SWR #13 Formation Data

REAGAN (383) County

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
GRAYBURG	1,500	2,500		1	12/17/2013
QUEEN	1,900	2,500		2	12/17/2013
SAN ANDRES	2,000	5,000	saltwater flow, possibly heavy	3	12/17/2013
CLEARFORK	3,300	4,000		4	12/17/2013
SPRABERRY	3,300	10,000		5	12/17/2013
STRAWN	9,300	10,200		6	12/17/2013
FUSSELMAN	8,800	11,000		7	12/17/2013
ELLENBURGER	8,700	10,500		8	12/17/2013

The above list may not be all inclusive, and may also include formations that do not intersect all wellbores. Formation "TOP" information listed reflects an estimated range based on geologic variances across the county. To clarify, the "Deep Top" is not the bottom of the formation; it is the deepest depth at which the "TOP" of the formation has been or might be encountered. This is a dynamic list subject to updates and revisions. It is the operator's responsibility to make sure that at the time of spudding the well the most current list is being referenced. Refer to the RRC website at the following address for the most recent information.
<http://www.rrc.state.tx.us/oil-gas/compliance-enforcement/rule-13-geologic-formation-info>