

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

API NUMBER: 069 20138

Approval Date: 07/25/2012

Expiration Date: 01/25/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 22 Twp: 4S Rge: 4E

County: JOHNSTON

SPOT LOCATION: NW NW SW NW

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 1551 265

Lease Name: HAGOOD

Well No: 1-22H

Well will be 265 feet from nearest unit or lease boundary.

Operator Name: XTO ENERGY INC

Telephone: 8178852513; 4052324

OTC/OCC Number: 21003 0

XTO ENERGY INC
810 HOUSTON ST
FORT WORTH, TX 76102-6203

SHAWN BARNES
P.O. BOX 262
MANNSVILLE OK 73447

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

Name	Depth	Name	Depth
1 SPRINGER	7000	6 SYLVAN	12085
2 CANEY	10105	7	
3 SYCAMORE	10440	8	
4 WOODFORD	10825	9	
5 HUNTON	12020	10	

Spacing Orders: 565214

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201204356

Special Orders:

Total Depth: 15830

Ground Elevation: 733

Surface Casing: 440

Depth to base of Treatable Water-Bearing FM: 190

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: Yes

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: AIR

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? Y

Wellhead Protection Area? Y

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: 4

Liner not required for Category: 4

Pit Location is BED AQUIFER

Pit Location Formation: ANTLERS

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 12-20908

H. PITS 2 & 3 SEE MEMO

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.

PIT 2 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? Y

Wellhead Protection Area? Y

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: ANTLERS

PIT 3 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 300000 Average: 200000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? Y

Wellhead Protection Area? Y

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: ANTLERS

HORIZONTAL HOLE 1

Sec 22 Twp 4S Rge 4E County JOHNSTON

Spot Location of End Point: SE NE NE NE

Feet From: NORTH 1/4 Section Line: 400

Feet From: EAST 1/4 Section Line: 45

Depth of Deviation: 9092

Radius of Turn: 1000

Direction: 15

Total Length: 5005

Measured Total Depth: 15830

True Vertical Depth: 12085

End Point Location from Lease,
Unit, or Property Line: 45

Notes:

Category

Description

MUNICIPAL WATER WELLS

7/20/2012 - G71 - MANNSVILLE RWD #2 - 3 WELLS - SE/4 16-4S-4E

Category	Description
PENDING CD - 201204356	<p>7/20/2012 - G30 - 22-4S-4E X565214 SPRG, CNEY, SCMR, WDFD, HNTN, SLVN XOTHERS SHL 1500 FNL, 250 FWL FWL** POE NCT 0 FNL, NCT 0 FWL 1ST PERF NCT 330 FNL, NCT 165 LAST PERF NCT 330 FNL, NCT 165 FEL BHL NCT 0 FNL, NCT 0 FEL NO OP. NAMED REC 7/23/12</p> <p>**SHL TO BE CORRECTED AT HEARING FOR FINAL ORDER PER OPERATOR</p>
PITS 2 & 3	<p>7/20/2012 - G71 - PITS 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, PIT 3 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT</p>
SPACING - 565214	<p>7/20/2012 - G30 - (640) 22-4S-4E EXT 123138 SPRG, CNEY, SCMR, WDFD, HNTN, SLVN, OTHER</p>

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.