API NUMBER: 019 25870

Oil & Gas

Horizontal Hole

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

Approval Date: 03/25/2013
Expiration Date: 09/25/2013

PERMIT TO DRILL

WELL LOCATION: Sec: 28 Twp: 3S Rge: 3E County: CARTER

SPOT LOCATION: NW SW NE NW FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 925 1510

Lease Name: DENNIS Well No: 5-28H21 Well will be 925 feet from nearest unit or lease boundary.

OperatorXTO ENERGY INCTelephone:4052324011OTC/OCC Number:210030Name:

XTO ENERGY INC 810 HOUSTON ST

FORT WORTH, TX 76102-6203

WARREN HERRIOTT 4827 DOGWOOD ROAD

ARDMORE OK 73402

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

Name Depth Name Depth 1 CANEY 10990 6 2 SYCAMORE 11415 7 WOODFORD 11920 8 3 HUNTON 12050 9 10 142014 Spacing Orders: Location Exception Orders: 609171 Increased Density Orders: 609161

609168

Pending CD Numbers: Special Orders:

Total Depth: 17125 Ground Elevation: 722 Surface Casing: 1600 Depth to base of Treatable Water-Bearing FM: 320

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: Yes Surface Water used to Drill: Yes

PIT 1 INFORMATION Approved Method for disposal of Drilling Fluids:

Type of Pit System: ON SITE A. Evaporation/dewater and backfilling of reserve pit.

Type of Mud System: AIR

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 13-22847

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.

ANTLERS

Category of Pit: 4

Pit Location Formation:

Liner not required for Category: 4
Pit Location is BED AQUIFER

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

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? 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: 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? 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: ANTLERS

HORIZONTAL HOLE 1

Sec 21 Twp 3S Rge 3E County CARTER

Spot Location of End Point: NE NW NW NW

Feet From: NORTH 1/4 Section Line: 1
Feet From: WEST 1/4 Section Line: 380

Depth of Deviation: 10274 Radius of Turn: 1000

Direction: 360
Total Length: 5129

Measured Total Depth: 17125

True Vertical Depth: 12050

End Point Location from Lease,
Unit, or Property Line: 1

Notes:

Category Description

DEEP SURFACE CASING 3/22/2013 - G71 - APPROVED CONTINGENT ON NOTIFYING OCC FIELD STAFF IMMEDIATELY

OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY

CONDUCTOR OR SURFACE CASING

EXCEPTION TO RULE - 609168 3/22/2013 - G30 - 21-3S-3E

X165:10-3-28(C)(2)(B)

NO CLOER THAN 500' TO DENNIS 6-28H21

3/18/13

Category Description

INCREASED DENSITY - 609161 3/22/2013 - G30 - 21-3S-3E

X142014 WDFD 8 WELLS XTO ENERGY INC.

3/18/13

LOCATION EXCEPTION - 609171 3/22/2013 - G30 - (I.O.) 21-3S-3E

X142014 CNEY, SCMR, WDFD, HNTN SHL 925 FNL, 1510 FWL 28-3S-3E

COMP. INT. NCT 165 FSL, NCT 165 FNL, NCT 330 FWL 21-3S-3E

XTO ENERGY INC.

3/18/13

MEMO 3/22/2013 - G71 - PITS 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, PIT 3 -

OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 142014 3/22/2013 - G30 - (640) 21-3S-3E

EST CNEY, SCMR, WDFD, HNTN, OTHERS