

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

API NUMBER: 095 20620

Approval Date: 10/07/2013

Expiration Date: 04/07/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 02 Twp: 6S Rge: 6E

County: MARSHALL

SPOT LOCATION: ☐ SE ☐ SE ☐ NE ☐ NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 1200 260

Lease Name: SHELBY

Well No: 1-2H1

Well will be 260 feet from nearest unit or lease boundary.

Operator Name: XTO ENERGY INC

Telephone: 4052324011

OTC/OCC Number: 21003 0

XTO ENERGY INC
210 PARK AVE STE 2350
OKLAHOMA CITY, OK 73102-5683

MICHAEL SHELBY & MERRILY SHELBY
6534 SPARLING ROAD
MADILL OK 73446

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

Name	Depth	Name	Depth
1 WOODFORD	6238	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 576256

Location Exception Orders: 616383

Increased Density Orders: 616654

Pending CD Numbers:

Special Orders:

Total Depth: 11950

Ground Elevation: 756

Surface Casing: 1990

Depth to base of Treatable Water-Bearing FM: 830

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? N

Wellhead Protection Area? N

Pit is not located in a Hydrologically Sensitive Area.

Category of Pit: 4

Liner not required for Category: 4

Pit Location is NON HSA

Pit Location Formation: BOKCHITO

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: 13-24410

H. 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: 8000 Average: 5000

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: BOKCHITO

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: BOKCHITO

HORIZONTAL HOLE 1

Sec 01 Twp 6S Rge 6E County MARSHALL

Spot Location of End Point: SE NE NE NE

Feet From: NORTH 1/4 Section Line: 380

Feet From: EAST 1/4 Section Line: 1

Depth of Deviation: 5815

Radius of Turn: 637

Direction: 80

Total Length: 5134

Measured Total Depth: 11950

True Vertical Depth: 6238

End Point Location from Lease,

Unit, or Property Line: 1

Notes:

Category

Description

DEEP SURFACE CASING

10/7/2013 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

INCREASED DENSITY - 616654

10/7/2013 - G75 - 1-6S-6E
X576256 WDFD
7 WELLS
XTO ENERGY INC.
10-4-2013

This permit does not address the right of entry or settlement of surface damages.

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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.

095 20620 SHELBY 1-2H1

Category	Description
LOCATION EXCEPTION - 616383	<p>10/7/2013 - G75 - (I.O.) X576256 WDFD SHL 1300 FNL, 300 FEL 2-6S-6E ** FIRST PERF NCT 330 FNL, NCT 165 FWL 1-6S-6E LAST PERF NCT 330 FNL, NCT 165 FEL 1-6S-6E XTO ENERGY INC. 9-26-2013</p> <p>** ITD HAS SHL AS 1200 FNL, 260 FEL 2-6S-6E; TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER OPERATOR</p>
MEMO	<p>10/7/2013 - G71 - PIT 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 3 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT</p>
SPACING - 576256	<p>10/7/2013 - G75 - (640) 1-6S-6E REFORM 40136 WDFD EXT OTHERS</p>