API NUMBER: 085 21194

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: 10/21/2013
Expiration Date: 04/21/2014

PERMIT TO DRILL

WELL LOCATION: Sec: 6S Rge: 1W County: LOVE Twp: FEET FROM QUARTER: FROM SPOT LOCATION: Isw FROM SOUTH WEST Isw NW Isw SECTION LINES: 710 300

Lease Name: RACKLEY Well No: 1-35H2 Well will be 300 feet from nearest unit or lease boundary.

 Operator Name:
 XTO ENERGY INC
 Telephone:
 8178852283
 OTC/OCC Number:
 21003
 0

XTO ENERGY INC 810 HOUSTON ST

FORT WORTH, TX 76102

BUFORD G RACKLEY & BETTY R RACKLEY, TRUSTEES OF THE RACKLEY FAMILY TRUST

5492 EASTMAN ROAD

OVERBROOK OK 73453

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

Name Depth Name Depth 1 CANEY 11276 6 2 WOODFORD 11918 7 3 8 4 9 5 10 Spacing Orders: Location Exception Orders: Increased Density Orders: No Spacing

Pending CD Numbers: 201306123 Special Orders:

201306124

Total Depth: 18100 Ground Elevation: 725 Surface Casing: 1990 Depth to base of Treatable Water-Bearing FM: 680

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

Type of Mud System: AIR D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 13-24552

H. SEE MEMO 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: 4

Liner not required for Category: 4

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

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

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?

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

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?

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

HORIZONTAL HOLE 1

Sec 02 Twp 7S Rge 1W County LOVE Spot Location of End Point: SE SW SW SW

Feet From: SOUTH 1/4 Section Line: 1
Feet From: WEST 1/4 Section Line: 440

Depth of Deviation: 11275 Radius of Turn: 1000

Direction: 180
Total Length: 5100

Measured Total Depth: 18100

True Vertical Depth: 12000

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

Notes:

Category Description

DEEP SURFACE CASING 10/17/2013 - 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

MEMO 10/17/2013 - G71 - PITS 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, PIT 3 -

OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

Category Description

PENDING CD - 201306123 10/17/2013 - G30 - (640) 2-7S-1W

10/17/2013 - G30 - (640) 2-7S-1W EXT 167657 WDFD, OTHERS

EST CNEY, OTHERS

VAC OTHER

REC 10/14/13 (LEAVITT)

PENDING CD - 201306124 10/17/2013 - G30 - 2-7S-1W

10/17/2013 - G30 - 2-7S-1W X201306123 CNEY, WDFD, OTHERS

SHL 350 FNL, 1100 FWL**

COMP. INT. NCT 165 FNL, NCT 165 FSL, NCT 330 FWL

NO OP. NAMED

REC 10/14/13 (LEAVITT)

**SHL TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION