

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

API NUMBER: 095 20628

Approval Date: 11/12/2013  
Expiration Date: 05/12/2014

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: 1260 260

Lease Name: SHELBY Well No: 4-2H1 Well will be 260 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

MICHAEL SHELBY & MERRILY SHELBY  
6514 SPARLIN ROAD  
MADILL OK 73446

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

Name	Depth	Name	Depth
1 WOODFORD	6300	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 576256 Location Exception Orders: 616278 Increased Density Orders: 616654

Pending CD Numbers: Special Orders:

Total Depth: 12000 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)

H. SEE MEMO

PERMIT NO: 13-24413

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 SE SE NE

Feet From: NORTH 1/4 Section Line: 2360

Feet From: EAST 1/4 Section Line: 1

Depth of Deviation: 5871

Radius of Turn: 637

Direction: 100

Total Length: 5128

Measured Total Depth: 12000

True Vertical Depth: 6300

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

Notes:

Category	Description
DEEP SURFACE CASING	11/8/2013 - 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	11/8/2013 - G75 - 1-6S-6E X576256 WDFD 7 WELLS XTO ENERGY INC. 10-4-2013

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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.

Category	Description
LOCATION EXCEPTION - 616278	<p>11/8/2013 - G75 - (I.O.)  X576256 WDFD  SHL 1360 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.  9-24-2013</p> <p>** ITD HAS SHL AS 1260 FNL, 260 FEL 2-6S-6E; TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER OPERATOR</p>
MEMO	<p>11/8/2013 - G71 - PIT 2 &amp; 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 3 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT</p>
SPACING - 576256	<p>11/8/2013 - G75 - (640) 1-6S-6E  REFORM 40136 WDFD  EXT OTHERS</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.