

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

API NUMBER: 085 21226

Approval Date: 04/18/2014
Expiration Date: 10/18/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 21 Twp: 7S Rge: 1E County: LOVE
SPOT LOCATION: SE NE NW NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 340 1325

Lease Name: JACOBS Well No: 1-21H16 Well will be 340 feet from nearest unit or lease boundary.
Operator Name: XTO ENERGY INC Telephone: 8178853255 OTC/OCC Number: 21003 0

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

RONALD DEAN JACOBS
201 N. 6TH AVE
MARIETTA OK 73448

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

	Name	Depth	Name	Depth
1	CANEY	13100	6	
2	WOODFORD	13500	7	
3	HUNTON	14000	8	
4			9	
5			10	

Spacing Orders: 622294

Location Exception Orders: 623406

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 20700

Ground Elevation: 836

Surface Casing: 1990

Depth to base of Treatable Water-Bearing FM: 370

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 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).

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 14-26777

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: 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 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? N

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 16 Twp 7S Rge 1E County LOVE

Spot Location of End Point: NW NE NW NE

Feet From: NORTH 1/4 Section Line: 10

Feet From: EAST 1/4 Section Line: 1680

Depth of Deviation: 13750

Radius of Turn: 1000

Direction: 359

Total Length: 5115

Measured Total Depth: 20700

True Vertical Depth: 14000

End Point Location from Lease,
Unit, or Property Line: 10

Notes:

Category	Description
DEEP SURFACE CASING	4/18/2014 - 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
LOCATION EXCEPTION - 623406	4/18/2014 - G30 - (I.O.) 16-7S-1E X622294 CNEY, WDFD, HNTN, OTHER SHL 340 FNL, 1325 FEL 21-7S-1E COMP. INT. NCT 165 FSL, NCT 165 FL, NCT 900 FEL XTO ENERGY INC. 4/1/14

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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
MEMO	4/18/2014 - G71 - PITS 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, PIT 3 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 622294	4/18/2014 - G30 - (640) 16-7S-1E EXT 591646 CNEY, WDFD, HNTN, OTHERS EXT OTHER

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