

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

API NUMBER: 019 26066

Approval Date: 05/23/2014

Expiration Date: 11/23/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 36 Twp: 3S Rge: 3E

County: CARTER

SPOT LOCATION: SW SE NE NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 1240 400

Lease Name: GINGER

Well No: 1-36H31

Well will be 400 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

NICKEL HILL LAND & CATTLE COMPANY
1023 LANDMARK ROAD
ARDMORE OK 73401

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

	Name	Depth	Name	Depth
1	WOODFORD	9150	6	
2	HUNTON	9200	7	
3			8	
4			9	
5			10	

Spacing Orders: 621592
539787

Location Exception Orders: 624834

Increased Density Orders: 623735

Pending CD Numbers:

Special Orders:

Total Depth: 14600

Ground Elevation: 839

Surface Casing: 1990

Depth to base of Treatable Water-Bearing FM: 690

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: DEESE

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: 14-26543

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 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: DEESE

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: DEESE

HORIZONTAL HOLE 1

Sec 31 Twp 3S Rge 4E County JOHNSTON

Spot Location of End Point: SE NE NE NE

Feet From: NORTH 1/4 Section Line: 380

Feet From: EAST 1/4 Section Line: 25

Depth of Deviation: 8472

Radius of Turn: 637

Direction: 80

Total Length: 5127

Measured Total Depth: 14600

True Vertical Depth: 9500

End Point Location from Lease,
Unit, or Property Line: 25

Notes:

Category	Description
DEEP SURFACE CASING	5/19/2014 - 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 - 623735	5/23/2014 - G75 - 31-3S-4E X539787 WDFD 9 WELLS XTO ENERGY INC. 4-9-2014

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Category	Description
LOCATION EXCEPTION - 624834	5/23/2014 - G75 - (I.O.) X539787 WDFD, OTHER X621592 HNTN SHL 1240 FNL, 400 FEL 36-3S-3E FIRST PERF NCT 330 FNL, NCT 165 FWL 31-3S-4E LAST PERF NCT 330 FNL, NCT 165 FEL 31-3S-4E XTO ENERGY INC. 5-5-2014
MEMO	5/19/2014 - G71 - PIT 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 3 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT
SPACING - 539787	5/23/2014 - G75 - (640) 31-3S-4E EXT 142014 WDFD, OTHERS EST OTHER
SPACING - 621592	5/23/2014 - G75 - (640) 31-3S-4E EXT 547505 HNTN

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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.

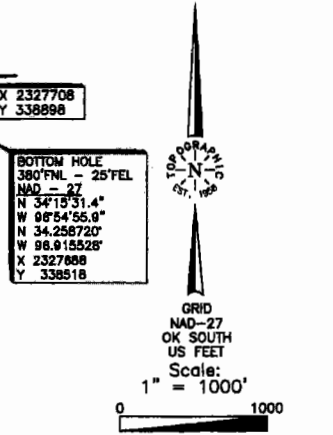
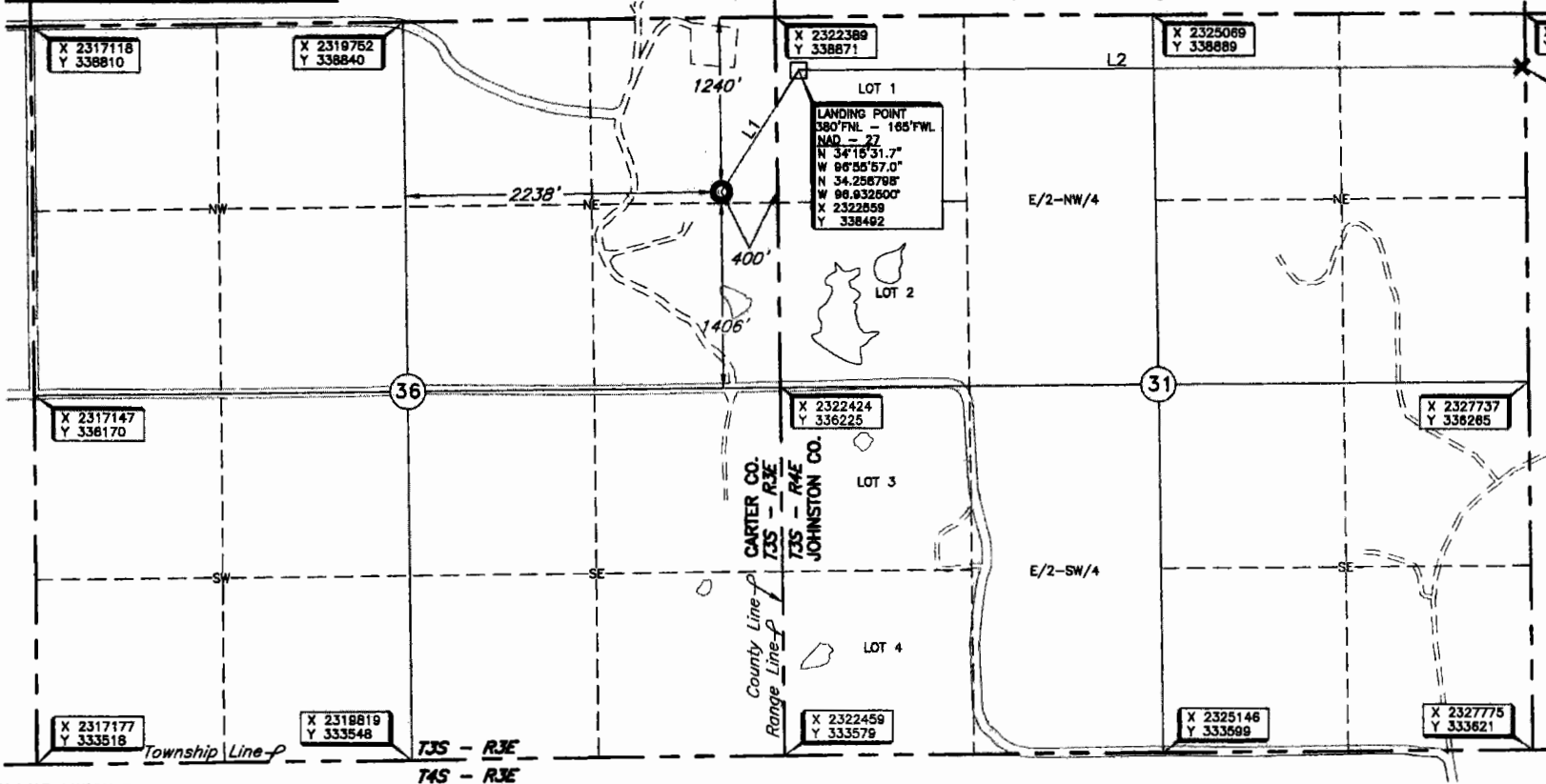
API 019-26066

LINE TABLE		
LINE	AZIMUTH	LENGTH
L1	32.593143	1028'
L2	89.703782	5129'

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA
 6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
 Certificate of Authorization No. 1293

CARTER/JOHNSTON County, Oklahoma

1240' FNL - 400' FEL Section 36 Township 3S Range 3E I.M.



(This information was gathered with a GPS receiver with ± 1.0 accuracy.)

GPS
 DATUM: NAD-27
 LAT: 34°15'23.2" N
 LONG: 96°56'03.7" W
 LAT: 34.256435" N
 LONG: 96.934362" W
STATE PLANE
 COORDINATES (US FEET):
 ZONE: OK SOUTH
 X: 2322006
 Y: 3376226

- LEGEND:**
- PROPOSED SURFACE HOLE (PSHL)
 - ⊙ CONDUCTOR PIPE (CP)
 - ✱ EXISTING WELLHEAD/PRODUCTION WELL
 - ✱ PLUGGED & ABANDONED WELL
 - ✱ PER OCLC RECORDS
 - PROPOSED LANDING POINT (LP)
 - ✱ PROPOSED BOTTOM HOLE (PBHL)

BOTTOM HOLE, LANDING POINT, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED; DISTANCE BETWEEN DRILL PATHS ARE CALCULATED AND CORNER COORDINATES ARE TAKEN FROM POINTS SURVEYED IN THE FIELD.

Operator: XTO ENERGY, INC.
 Lease Name: GINGER

Topography & Vegetation Loc. fell on Level Pad

Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set None

Best Accessibility to Location From South off county road
 Distance & Direction From the junction of US Hwy 177 & St. Hwy 199 in Dickson, Oklahoma, go ± 4.5 miles North on US Hwy 177, then go ± 2 miles East to the East Quarter Corner of Section 36, T3S - R3E.

Well No.: 1-36H31 **ELEVATION:** 839' Gr. on Level Pad

Revision B Date Drawn: Oct. 3, 2013
 Invoice # 208997 Date Staked: Oct. 2, 2013

CERTIFICATE:
 I, Thomas L. Howell an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify that the above described well location was surveyed and staked on the ground as shown herein.
 Thomas L. Howell
 Oklahoma Lic. No. 1433

