API NUMBER: 019 26138

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: 09/26/2014 03/26/2015 **Expiration Date**

PERMIT TO DRILL

WELL LOCATION: Sec: Twp: 3S Rge: 3W County: CARTER 10

FEET FROM QUARTER: SPOT LOCATION: FROM SOUTH EAST lsw SE ll se SE SECTION LINES: 270 625

Lease Name: GORDON Well No: 1-10H14 Well will be 270 feet from nearest unit or lease boundary.

XTO ENERGY INC Operator OTC/OCC Number: Telephone: 8178853255 21003 0 Name:

XTO ENERGY INC 810 HOUSTON ST

FORT WORTH. TX 76102-6203

TOMMY K. & EMMA GORDON 64578 STATE HWY, 53

HEALDTON OK 73438

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

Name Depth Name Depth 1 CANEY 10460 6 2 SYCAMORE 11210 7 WOODFORD 11490 8 3 HUNTON 11642 9 10 627788 Spacing Orders: Location Exception Orders: 628607 Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 17000 Ground Elevation: 993 Surface Casing: 1990 Depth to base of Treatable Water-Bearing FM: 1240

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: Yes Surface Water used to Drill: Yes

Approved Method for disposal of Drilling Fluids: PIT 1 INFORMATION

Type of Pit System: ON SITE A. Evaporation/dewater and backfilling of reserve pit. Type of Mud System: AIR

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-28087

Is depth to top of ground water greater than 10ft below base of pit? Y H. SEE MEMO

Within 1 mile of municipal water well? N

Wellhead Protection Area?

is located in a Hydrologically Sensitive Area.

Category of Pit: 4

Liner not required for Category: 4 Pit Location is BED AQUIFER

Pit Location Formation: WELLINGTON

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? N

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C
Pit Location is BED AQUIFER
Pit Location Formation: WELLINGTON

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 BED AQUIFER
Pit Location Formation: WELLINGTON

HORIZONTAL HOLE 1

Sec 14 Twp 3S Rge 3W County CARTER

Spot Location of End Point: SE NE SE NE
Feet From: NORTH 1/4 Section Line: 1900
Feet From: EAST 1/4 Section Line: 20

Depth of Deviation: 10339 Radius of Turn: 1000

Direction: 106
Total Length: 5090

Measured Total Depth: 17000

True Vertical Depth: 11642

End Point Location from Lease,
Unit, or Property Line: 20

Notes:

Category Description

DEEP SURFACE CASING 8/22/2014 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS

OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR

SURFACE CASING

LOCATION EXCEPTION - 628607 9/26/2014 - G75 - (I.O.)

X627788 CNEY, SCMR, WDFD, HNTN SHL 270 FSL, 625 FEL 10-3S-3W

COMPL. INT NCT 330 FNL, NCT 165 FWL, NCT 165 FEL 14-3S-3W

XTO ENERGY INC.

8-1-2014

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.

019 26138 GORDON 1-10H14

Category Description

MEMO 8/22/2014 - G71 - PIT 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 3 -

OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

SPACING - 627788 9/26/2014 - G75 - (640) 14-3S-3W

EXT 612259 CNEY, SCMR, WDFD, HNTN

