

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

API NUMBER: 019 26175

Approval Date: 03/17/2015  
Expiration Date: 09/17/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 3S Rge: 2E County: CARTER  
SPOT LOCATION:  NW  NW  NW  NW FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 270 310

Lease Name: KNOWLES Well No: 1-27H22 Well will be 270 feet from nearest unit or lease boundary.

Operator Name: XTO ENERGY INC Telephone: 8178853255; 8178852 OTC/OCC Number: 21003 0

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

DONIECE KNOWLES  
427 N ROCKFORD PLACE  
ARDMORE OK 73401

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

Name	Depth	Name	Depth
1 CANEY	12182	6	
2 WOODFORD	12978	7	
3 HUNTON	13318	8	
4		9	
5		10	

Spacing Orders: 197431

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201501100  
201501096

Special Orders:

Total Depth: 18680

Ground Elevation: 817

**Surface Casing: 1990**

Depth to base of Treatable Water-Bearing FM: 560

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: GODDARD

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: 15-29647

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: GODDARD

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: GODDARD

HORIZONTAL HOLE 1

Sec 22 Twp 3S Rge 2E County CARTER

Spot Location of End Point: NW NE NE NW

Feet From: NORTH 1/4 Section Line: 1

Feet From: WEST 1/4 Section Line: 2300

Depth of Deviation: 12566

Radius of Turn: 637

Direction: 20

Total Length: 5113

Measured Total Depth: 18680

True Vertical Depth: 13318

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

Notes:

Category	Description
DEEP SURFACE CASING	3/13/2015 - 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	3/13/2015 - G71 - PITS 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 3 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

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.

Category	Description
PENDING CD - 201501096	3/17/2015 - G76 - (E.O.) 22-3S-2E X197431 WDFD 4 WELLS XTO ENERGY INC. REC. 3/13/2015 (P. PORTER)
PENDING CD - 201501100	3/17/2015 - G76 - (E.O.) 22-3S-2E X197431 CNEY, WDFD, HNTN SHL 270 FNL, 310 FWL 27-3S-2E COMPL. INT. NCT 165 FSL, 165 FNL, NCT 2250 FWL XTO ENERGY INC. REC. 3/13/2015 (P. PORTER)
SPACING - 197431	3/17/2015 - G76 - (640) 22-3S-2E EXT 112621 HNTN, OTHERS EXT 124789 WDFD, OTHERS EXT 142014 CNEY, OTHER

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.