

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

API NUMBER: 019 25849

Approval Date: 03/01/2013
Expiration Date: 09/01/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 18 Twp: 3S Rge: 3E County: CARTER
SPOT LOCATION: NE SE SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 550 1450

Lease Name: ARDMORE AIRPORT Well No: 3-18H Well will be 550 feet from nearest unit or lease boundary.
Operator Name: XTO ENERGY INC Telephone: 8178852196; 4052324 OTC/OCC Number: 21003 0

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

ARDMORE AIRPORT 2-18H
P.O. BOX 1585
ARDMORE OK 73402

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

Name	Depth	Name	Depth
1 WOODFORD	11815	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 559902 Location Exception Orders: 607005 Increased Density Orders: 606920
607843

Pending CD Numbers:

Special Orders:

Total Depth: 17100 Ground Elevation: 726 **Surface Casing: 1990** Depth to base of Treatable Water-Bearing FM: 630

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:

A. Evaporation/dewater and backfilling of reserve pit.

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

H. SEE MEMO

PERMIT NO: 12-22187

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 18 Twp 3S Rge 3E County CARTER

Spot Location of End Point: NW NE NW NE

Feet From: NORTH 1/4 Section Line: 1

Feet From: EAST 1/4 Section Line: 1868

Depth of Deviation: 10086

Radius of Turn: 1000

Direction: 359

Total Length: 5288

Measured Total Depth: 17100

True Vertical Depth: 12000

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

Notes:

Category	Description
DEEP SURFACE CASING	3/1/2013 - 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
EXCEPTION TO RULE - 607843	3/1/2013 - G30 - (I.O.) 18-3S-3E X165:10-3-28(C)(2)(B) WDFD NCT 500' TO ARDMORE AIRPORT 2-18H 2/14/13

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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
INCREASED DENSITY - 606920	3/1/2013 - G30 - 18-3S-3E X559902 WDFD 3 WELLS XTO ENERGY INC. 1/24/13
LOCATION EXCEPTION - 607005	3/1/2013 - G30 - (I.O.) 18-3S-3E X559902 WDFD SHL 550 FSL, 1450 FEL COMP. INT. NCT 165 FSL, NCT 165 FNL, NCT 1780 FEL XTO ENERGY INC. 1/25/13
MEMO	3/1/2013 - G71 - PITS 2 & 3 - CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, PIT 3 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 559902	3/1/2013 - G30 - (640) 18-3S-3E EXT 142014 WDFD, OTHERS

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Office of the Conservation Division as to when Surface Casing will be run.