API NUMBER: 095 20681 orizontal Hole Oil & Gas				OKLAHOMA CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION P.O. BOX 52000 OKLAHOMA CITY, OK 73152-2000 (Rule 165:10-3-1)			Approval Date: Expiration Date:	05/14/2019 11/14/2020		
					PERMIT TO					
						DRILL				
WELL LOCATION:	Sec:	01 Twp: 55	S Rge: 5E	County: MARS	SHALL					
SPOT LOCATION	SE	SESE				SOUTH FROM EAST				
			SECTION	N LINES:	260	250				
Lease Name:	SHANN	ON		Well No:	1-1H36X	,	Well will be 25	0 feet from nearest	unit or lease boundary.	
Operator Name:	хто	ENERGY INC			Telephone:	4053193208; 8178852	OTO	C/OCC Number:	21003 0	
XTO ENERGY INC 22777 SPRINGWOODS VILLAGE PKWY						GARY & SH	ANNON BARKER			
			TX 7738	89-1425		P.O. BOX 57	73			
			1700	0 1420		MADILL		OK 734	446	
	WOODFO	I		8648 8665		7 8 9 10				
Spacing Orders: 550737 560208 533420				Location Exception Orders:			Increased Density Orders:			
Pending CD Numl	:	201902290 201902291 201902289 201902292 201902294 201902294 201902364					Special	Orders:		
Total Depth: 2	21000	Ground	Elevation: 830	Surface (Casing: 199	0	Depth to ba	se of Treatable Water-E	Bearing FM: 870	
Under Federal	Jurisdicti	on: No		Fresh Water	Supply Well Drill	ed: No Approved Method for disp	oosal of Drilling Flu	Surface Water use	ed to Drill: Yes	
						D. One time land applica H. SEE MEMO	tion (REQUIRES	S PERMIT)	PERMIT NO: 19-3637	

PIT 1 INFORMATION Type of Pit System: CLOSED Closed System Means Steel Pits Type of Mud System: WATER BASED Chlorides Max: 8000 Average: 5000 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: CADDO

PIT 2 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: CADDO

HORIZONTAL HOLE 1

Sec 36 Twp 4S Rge 5E County MARSHALL Spot Location of End Point: NW NE NE NE Feet From: NORTH 1/4 Section Line: 50 Feet From: EAST 1/4 Section Line: 440 Depth of Deviation: 9083 Radius of Turn: 1000 Direction: 359 Total Length: 10346 Measured Total Depth: 21000 True Vertical Depth: 8665 End Point Location from Lease, Unit, or Property Line: 50

Notes: Category

DEEP SURFACE CASING

Description

5/9/2019 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING

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
HYDRAULIC FRACTURING	5/9/2019 - G71 - OCC 165:10-3-10 REQUIRES:
	1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;
	2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: OCCEWEB.COM/OG/OGFORMS.HTML; AND,
	3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK: FRACFOCUS.ORG
MEMO	5/9/2019 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 201902289	5/9/2019 - GB1 - (I.O.) 1-5S-5E & 36-4S-5E EST MULTIUNIT HORIZONTAL WELL X550737 SCMR, WDFD, HNTN 1-5S-5E X560208 WDFD 1-5S-5E *** X533420 SCMR, WDFD, HNTN 36-4S-5E (SCMR, HNTN ADJACENT COMMON SOURCES OF SUPPLY TO WDFD) 49.4% 1-5S-5E 50.6% 36-4S-5E XTO ENERGY INC REC. 5/13/2019 (DENTON)
	***CLARIFYING ORDER #201902364 WILL BE ADDED AT HEARING PER ATTORNEY FOR OPERATOR; SHL WILL BE CORRECTED TO 260' FSL, 250' FEL
PENDING CD - 201902290	5/9/2019 - GB1 - (I.O.) 1-5S-5E & 36-4S-5E X550737 SCMR, WDFD, HNTN 1-5S-5E X560208 WDFD 1-5S-5E *** X533420 SCMR, WDFD, HNTN 36-4S-5E SHL 460' FNL, 310' FEL 12-5S-5E ++ COMPL. INT. (1-5S-5E) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL COMPL. INT. (36-4S-5E) NCT 0' FSL, NCT 165' FNL, NCT 330' FEL XTO ENERGY INC REC. 5/13/2019 (DENTON)
	*** CLARIFYING ORDER #201902364 WILL BE ADDED AT HEARING PER ATTORNEY FOR OPERATOR ++SHL WILL BE CORRECTED TO 260' FSL, 250' FEL
PENDING CD - 201902291	5/9/2019 - GB1 - (I.O.) 1-5S-5E & 36-4S-5E X165:10-3-28(C)(2)(B) WDFD (SHANNON 1-12H1X36)*** MAY BE CLOSER THAN 600' TO LOGAN BEARD 3-36, BARKER 2-12H XTO ENERGY INC REC. 5/13/2019 (DENTON)
PENDING CD - 201902292	***WELL NAME WILL BE CHANGED TO SHANNON 1-1H36X PER OPERATOR AT HEARING 5/9/2019 - GB1 - 1-5S-5E X550737 WDFD X560208 WDFD*** 1 WELL NO OP. NAMED REC. 5/13/2019 (DENTON)
	***CLARIFYING ORDER #201902364 WILL BE ADDED AT HEARING PER ATTORNEY FOR OPERATOR
PENDING CD - 201902294	5/9/2019 - GB1 - 36-4S-5E X533420 WDFD 1 WELL NO OP. NAMED REC. 5/13/2019 (DENTON)
PENDING CD - 201902364	5/9/2019 - GB1 - (640)(HOR) 1-5S-5E CLARIFY 560208 WDFD TO COEXIST WITH SP #550737; REMOVE 90 DAY EXPIRATION PROVISION REC. 5/13/2019 (DENTON)

Category

SPACING - 533420

SPACING - 550737

SPACING - 560208

Description

5/9/2019 - GB1 - (640) 36-4S-5E VAC 242033 SCMR, WDFD, HNTN, OTHERS EXT 0THERS EXT 434368 SCMR, WDFD, HNTN, OTHERS 5/9/2019 - GB1 - (640) 1-5S-5E EXT 545050 SCMR, WDFD, HNTN, OTHER

5/9/2019 - GB1 - (640)(HOR) 1-5S-5E EST WDFD POE TO BHL NCT 660' FB

