API No. 42-419-31641

Drilling Permit # 705203

SWR Exception Case/Docket No.

RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.

FORM W-1 07/2004

Permit Status: Approved

1. RRC Operator No. 945936

2. Operator's Name (as shown on form P-5, Organization Report): XTO ENERGY INC.

3. Operator Address (include street, city, state, zip):

4. Lease Name: HAWKEYES DU

5. Well No. 1H

GENERAL INFORMATION

6. Purpose of filing (mark ALL appropriate boxes): [X] New Drill [ ] Recompletion [ ] Reclass [ ] Field Transfer [ ] Re-Enter [ ] Amended [ ] Amended as Drilled (BHL) (Also File Form W-1D)

7. Wellbore Profile (mark ALL appropriate boxes): [ ] Vertical [X] Horizontal (Also File Form W-1H) [ ] Directional (Also File Form W-1D) [ ] Sidetrack

8. Total Depth 19900

9. Do you have the right to develop the minerals under any right-of-way ? [X] Yes [ ] No

10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? [ ] Yes [X] No

SURFACE LOCATION AND ACREAGE INFORMATION

11. RRC District No. 06

12. County SHELBY

13. Surface Location [X] Land [ ] Bay/Estuary [ ] Inland Waterway [ ] Offshore

14. This well is to be located 8.7 miles in a S direction from Center which is the nearest town in the county of the well site.

15. Section

16. Block

17. Survey SMITH, A V

18. Abstract No. A-683

19. Distance to nearest lease line: 330 ft.

20. Number of contiguous acres in lease, pooled unit, or unitized tract: 635.71

21. Lease Perpendiculars: 5 ft from the EAST line and 808 ft from the SOUTH line.

22. Survey Perpendiculars: 643 ft from the EAST line and 808 ft from the SOUTH line.

23. Is this a pooled unit? [X] Yes [ ] No

24. Unitization Docket No:

25. Are you applying for Substandard Acreage Field? [ ] Yes (attach Form W-1A) [X] No

FIELD INFORMATION List all fields of anticipated completion including Wildcat. List one zone per line.

26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)	29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	32. Number of Wells on this lease in this Reservoir
06	16032300	CARTHAGE (HAYNESVILLE SHALE)	Gas Well	10527	0.00	1

BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)

Remarks

[RRC STAFF Nov 19, 2010 10:30 AM]: Abstract number corrected for the surface location per plat.

Certificate:

I certify that information stated in this application is true and complete, to the best of my knowledge.

Cynthia Rainwater, Regulatory Compliance Technician — Name of filer

Nov 11, 2010 — Date submitted

(903)5793091, x118 — Phone

Cynthia_Rainwater@xtoenergy.com — E-mail Address (OPTIONAL)

RRC Use Only Data Validation Time Stamp: Nov 19, 2010 10:46 AM('As Approved' Version)

Permit Status: Approved

The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

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OIL & GAS DIVISION

APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

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Form W-1H 07/2004

Supplemental Horizontal Well Information

Permit # 705203

Approved Date: Nov 19, 2010

1. RRC Operator No.	2. Operator's Name (exactly as shown on form P-5, Organization Report)	3. Lease Name	4. Well No.
945936	XTO ENERGY INC.	HAWKEYES DU	1H

Lateral Drainhole Location Information

5. Field as shown on Form W-1: CARTHAGE (HAYNESVILLE SHALE) (Field # 16032300, RRC District 06)

6. Section	7. Block	8. Survey	9. Abstract	10. County of BHL
		RUSK CSL	592	SHELBY

11. Terminus Lease Line Perpendiculars

330 ft. from the north line. and 330 ft. from the east line

12. Terminus Survey Line Perpendiculars

1616 ft. from the north line. and 2745 ft. from the west line

13. Penetration Point Lease Line Perpendiculars

330 ft. from the east line. and 330 ft. from the south line

Additional Well Tie Information	
Hawkeyes DU No. 1H SL to Hawkeyes DU No. 1H PP:	S30°52'W-579'
Hawkeyes DU No. 1H SL to Hawkeyes DU No. 1H BH:	N07°25'W-4705'
Hawkeyes DU No. 1H SL to Cyclones DU No. 1H SL:	N89°57'E-15'

Surface Location is approx. 8.7 miles S of Center, TX
Neuville Quadrangle

STATE PLANE COORDINATE DATUM
1927 NAD - TEXAS CENTRAL ZONE
HAWKEYES DU NO. 1H SURFACE LOCATION
X = 3,911,757.66' LAT = 31°40'05.41" N
Y = 780,777.53' LONG = 94°11'07.48" W
HAWKEYES DU NO. 1H PENETRATION POINT
X = 3,911,460.63' LAT = 31°40'00.67" N
Y = 780,280.61' LONG = 94°11'11.23" W
HAWKEYES DU NO. 1H BOTTOM HOLE
X = 3,911,149.80' LAT = 31°40'51.85" N
Y = 785,442.93' LONG = 94°11'11.52" W

Additional Unit Tract Information			
Tract No.	Acreage	Ownership	Vol./Pg.
1	(38.9 Ac.)	Ronnie Borders	257/483
3	(7.386 Ac.)	Loyce Deloney, et vir	279/295
8	10.0 Ac.	Charles Daniel Dearing, et al	191/511
11	1 Ac.	Christy Mills, et al	986/53
14	14.31 Ac.	Janise Marie Permenter, et al	387/630
15	13.05 Ac.	B. P. America	132/171
16	9.165 Ac.	Linda L. Redmond	964/83
17	4.613 Ac.	Thomas M Andrews	671/57
18	4.630 Ac.	Michael Langford	712/220
19	20.650 Ac.	Gary Langford	1015/174
20	2.96 Ac.	E. Worsham	670/345
21	2.96 Ac.	Carol Anderson	670/345
22	2.96 Ac.	James Hubert Anderson	670/345
23	2.96 Ac.	Carol Anderson	670/345
24	2.96 Ac.	Carol Anderson	670/345
25	2.96 Ac.	Grace Arlene Bruton	670/345
26	2.96 Ac.	Charles Harvey Anderson	670/345
27	4.1675 Ac.	Johnnie Bittick, et ux	634/148
28	16.670 Ac.	Johnnie Bittick, et ux	634/148

Hawkeyes DU No. 1H Surface Location is staked 643' from the east line and 808' from the south line of the Allen V. Smith Survey, A-683 and being 5' from the easternmost east line and 808' from the southernmost south line of the Hawkeyes DU.

Hawkeyes DU No. 1H Penetration Point is located 534' from the west line and 330' from the south line of the Allen V. Smith Survey, A-683 and being 330' from the easternmost east line and 330' from the southernmost south line of the Hawkeyes DU.

Hawkeyes DU No. 1H Bottom Hole is located 1616' from the north line and 2745' from the westernmost west line of the Rusk County School Land Survey, A-592 and being 330' from the easternmost north line and 330' from the easternmost east line of the Hawkeyes DU.

FOR THE EXCLUSIVE USE OF
XTO ENERGY INC.

I, E. L. Sartain, Registered Professional Land Surveyor, do hereby certify the above plat to be true and correct to best of my knowledge.
Date: November 3, 2010 Tyler, Texas

Registered Professional Land Surveyor No. 1978

The location shown hereon was staked from tract lines as evidenced by occupation. Distances shown are not intended to be definitive in establishing title boundaries. The acreages shown hereon were provided by others.

STATE OF TEXAS
REGISTERED
E. L. SARTAIN
1978
PROFESSIONAL
LAND SURVEYOR

WELL LOCATION PLAT
XTO ENERGY INC.
HAWKEYES DU NO. 1H
ALLEN V. SMITH SURVEY, A-683
RUSK COUNTY SCHOOL LAND SURVEY, A-592
SHELBY COUNTY, TEXAS

1000' 500' 0 1000'
1" = 1000'

From the Office of E.L.S. Surveying & Mapping, Inc. /
Harry L. Johnson & Associates - Tyler, Texas
2004 W. Grande Blvd. - 903-581-7759

Drafter: WMW FB 1913-62 (JJ) Job No. 306864 Map No. SH-1295