API No. 42-419-31490

Drilling Permit # 683045

SWR Exception Case/Docket No. 0270515 (R37)

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: MUSTANGS DU

5. Well No. 1H

GENERAL INFORMATION

6. Purpose of filing (mark ALL appropriate boxes): [X] New Drill [ ] Recompletion [ ] Reclass [ ] Field Transfer [ ] Re-Enter [X] 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 13000

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 9 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 COLE, L

18. Abstract No. A-108

19. Distance to nearest lease line: 75 ft.

20. Number of contiguous acres in lease, pooled unit, or unitized tract: 349.94

21. Lease Perpendiculars: 205 ft from the SOUTH line and 2841 ft from the EAST line.

22. Survey Perpendiculars: 1634 ft from the NORTH line and 1976 ft from the EAST 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

[FILER Apr 29, 2011 8:43 AM]: Filing to Remove NPZs
Unleased Interest to Tract 9-Interior Rule 37; [RRC STAFF May 3, 2011 2:17 PM]: Problem report created for A-724, It should be A-728; [RRC STAFF May 20, 2011 8:05 AM]: Protest received from Benjamin H. Bright representing Benjamin H. Bright.; [RRC STAFF May 27, 2011 12:55 PM]: 5/27/11 received protest from Nelda Danice Bright; [RRC STAFF Sep 2, 2011 9:00 AM]: Motion for Continuance from George H. Pigg with Mettauer Shires & Adams, LLP, atty for Greer Katherine Franceska von Goetz a/k/a Kate Goetz and requests a ninety (90) day continuance of hearing.; [RRC STAFF Sep 29, 2011 8:20 AM]: 9/28/11 motion for telephonic hearing received.; [RRC STAFF Oct 4, 2011 2:22 PM]: 10/04/11 Administratively approved under Rule 37(h)(2)(a) - MRC

RRC Use Only Data Validation Time Stamp: Oct 4, 2011 2:23 PM('As Approved' Version)

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

Apr 29, 2011 — Date submitted

(903)5793091, x118 — Phone

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

Permit Status: Approved

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

RAILROAD COMMISSION OF TEXAS
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 # 683045

Approved Date: Oct 04, 2011

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.	MUSTANGS 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
		TODD, S	728	SHELBY

11. Terminus Lease Line Perpendiculars

330 ft. from the south line. and 335 ft. from the west line

12. Terminus Survey Line Perpendiculars

719 ft. from the south line. and 1230 ft. from the west line

13. Penetration Point Lease Line Perpendiculars

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

Additional Unit Tract Information			
Tract No.	Acreage	Ownership	Vol./Pg.
4	(42.055 Ac.)	Bernard H. Mask, et al	132/209
5	(1.732 Ac.)	Bernard H. Mask, et al	131/311
6	6.5 Ac.	D. O. Mask	298/228
7	(3.528 Ac.)	Bernard H. Mask et ux	203/489
8	1.0 Ac.	Loyce Deloney et vir	747/43
9	3.25 Ac.	Bernard H. Mask et ux	301/63
10	(0.046 Ac.)	Loyce Deloney et vir	203/489
13	(1.037 Ac.)	Bernard H. Mask et ux	202/239
14	(6.71 Ac.)	Darsie Lee Adams	124/326
15	(1.774 Ac.	Loyce Deloney, et al	661/759

ADDITIONAL WELL TIE INFORMATION

Mustangs DU No. 1H SL to No. 1H PP: S10°57'E-538'

Mustangs DU No. 1H SL to No. 1H BH: S04°04'E-6614'

STATE PLANE COORDINATE DATUM
1927 NAD – TEXAS CENTRAL ZONE

MUSTANGS DU NO. 1H WELL SURFACE LOCATION

X = 3,908,958.09' LAT = 31°39'59.79" N
Y = 780,053.48' LONG = 94°11'40.29" W

MUSTANGS DU NO. 1H WELL PENETRATION POINT

X = 3,909,060.25' LAT = 31°39'54.51" N
Y = 779,525.23' LONG = 94°11'39.45" W

MUSTANGS DU NO. 1H WELL BOTTOM HOLE

X = 3,909,427.70' LAT = 31°38'54.34" N
Y = 773,456.22' LONG = 94°11'39.07" W

Mustangs DU No. 1H Well Surface Location is staked 1634' from the north line and 1976' from the east line of the Levi Cole Survey, A-108 and being 205' from a south line and 2841' from an east line of the Hawkeyes DU.

Mustangs DU No. 1H Well Penetration Point is located 1899' from the east line and 2168' from the north line of the Levi Cole Survey, A-108 and being 330' from the north line and 330' from the west line of the Mustangs DU.

Mustangs DU No. 1H Well Bottom Hole is located 719' from the south line and 1230' from a west line of the Samuel Todd Survey, A-728 and being 330' from the south line and 335' from the west line of the Mustangs DU.

Surface Location is approx 9 miles south of Center, Tx. Neuville Quadrangle

FOR THE EXCLUSIVE USE OF
XTO ENERGY INC.

I, E. L. Sartain, Registered Professional Land Surveyor, do hereby certify the above plat is true and correct to best of my knowledge.
Date: March 18, 2011 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

GRID

WELL LOCATION PLAT
XTO ENERGY INC.
MUSTANGS DU NO. 1H WELL
SAMUEL TODD SURVEY, A-728
LEVI COLE SURVEY, A-108
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: DSN FB 1960-31 (JP) Job No. 296092 Map No. SH-882-3