

API No. <u>42-439-35657</u> Drilling Permit # <u>707623</u> SWR Exception Case/Docket No. <u>0268855 (R37)</u>	<b>RAILROAD COMMISSION OF TEXAS</b> <b>OIL &amp; GAS DIVISION</b> <b>APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER</b> <i>This facsimile W-1 was generated electronically from data submitted to the RRC.</i> <i>A certification of the automated data is available in the RRC's Austin office.</i>	<b>FORM W-1</b> 07/2004 Permit Status: <b>Approved</b>
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1. RRC Operator No. <b>860832</b>	2. Operator's Name (as shown on form P-5, Organization Report) <b>TITAN OPERATING, LLC</b>	3. Operator Address (include street, city, state, zip): <b>111 W 4TH ST STE 300 FORT WORTH, TX 76102</b>
4. Lease Name <b>TRINITY C UNIT</b>		5. Well No. <b>1H</b>

<b>GENERAL INFORMATION</b>					
6. Purpose of filing (mark ALL appropriate boxes):					
<input checked="" type="checkbox"/> New Drill		<input type="checkbox"/> Recompletion		<input type="checkbox"/> Reclass	
<input type="checkbox"/> Amended		<input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)		<input type="checkbox"/> Field Transfer	
<input type="checkbox"/> Vertical		<input checked="" type="checkbox"/> Horizontal (Also File Form W-1H)		<input type="checkbox"/> Directional (Also File Form W-1D)	
<input type="checkbox"/> Sidetrack					
8. Total Depth <b>8000</b>	9. Do you have the right to develop the minerals under any right-of-way ?		10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)?		
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

<b>SURFACE LOCATION AND ACREAGE INFORMATION</b>					
11. RRC District No. <b>05</b>	12. County <b>TARRANT</b>		13. Surface Location		
		<input checked="" type="checkbox"/> Land		<input type="checkbox"/> Bay/Estuary	
		<input type="checkbox"/> Inland Waterway		<input type="checkbox"/> Offshore	
14. This well is to be located <u>2.4</u> miles in a <u>SW</u> direction from <u>Southlake</u> which is the nearest town in the county of the well site.					
15. Section	16. Block	17. Survey <b>CROOKS, W E</b>		18. Abstract No. <b>A-295</b>	19. Distance to nearest lease line: <b>203</b> ft.
20. Number of contiguous acres in lease, pooled unit, or unitized tract: <b>274.95</b>					
21. Lease Perpendiculars: <u>66</u> ft from the <u>E OFF LEASE</u> line and <u>1895</u> ft from the <u>S OFF LEASE</u> line.		22. Survey Perpendiculars: <u>66</u> ft from the <u>E</u> line and <u>1895</u> ft from the <u>S</u> line.			
23. Is this a pooled unit? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		24. Unitization Docket No:		25. Are you applying for Substandard Acreage Field? <input type="checkbox"/> Yes (attach Form W-1A) <input checked="" type="checkbox"/> No	

<b>FIELD INFORMATION</b> 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
09	65280200	NEWARK, EAST (BARNETT SHALE)	Oil or Gas Well	8000	0.00	1

<b>BOTTOMHOLE LOCATION INFORMATION</b> is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)	
<b>Remarks</b>  	<b>Certificate:</b> I certify that information stated in this application is true and complete, to the best of my knowledge.  <u>Brenda Ramirez</u> <u>Dec 28, 2010</u> Name of filer Date submitted  <u>(512)2440309</u> <u>[REDACTED]</u> Phone E-mail Address (OPTIONAL)
<b>RRC Use Only</b> Data Validation Time Stamp: Dec 31, 2010 12:47 PM( Current Version )	

**RAILROAD COMMISSION OF TEXAS  
OIL & GAS DIVISION**

**Form W-1H** 07/2004  
**Supplemental Horizontal Well Information**

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

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

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A certification of the automated data is available in the RRC's Austin office.*

Permit # **707623**  
Approved Date: **Dec 30, 2010**

1. RRC Operator No. <b>860832</b>	2. Operator's Name (exactly as shown on form P-5, Organization Report) <b>TITAN OPERATING, LLC</b>	3. Lease Name <b>TRINITY C UNIT</b>	4. Well No. <b>1H</b>
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**Lateral Drainhole Location Information**

5. Field as shown on Form W-1 **NEWARK, EAST (BARNETT SHALE) (Field # 65280200, RRC District 09)**

6. Section	7. Block	8. Survey <b>NEWTON, J J</b>	9. Abstract <b>1176</b>	10. County of BHL <b>TARRANT</b>
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11. Terminus Lease Line Perpendiculars <b>712</b> ft. from the <b>S</b> line. and <b>674</b> ft. from the <b>W</b> line
12. Terminus Survey Line Perpendiculars <b>532</b> ft. from the <b>E</b> line. and <b>590</b> ft. from the <b>N</b> line
13. Penetration Point Lease Line Perpendiculars <b>203</b> ft. from the <b>E</b> int line. and <b>1123</b> ft. from the <b>S</b> line