

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 09-0296228: THE APPLICATION OF XTO ENERGY, INC. PURSUANT TO THE MINERAL INTEREST POOLING ACT FOR THE FORMATION OF A POOLED UNIT FOR THE PROPOSED TIMBER CREEK MW 2H POOLED UNIT, NEWARK, EAST (BARNETT SHALE) FIELD, TARRANT COUNTY, TEXAS.

FINAL ORDER

The Commission finds that, after statutory notice in the above-numbered docket, heard on June 18, 2015, the examiners have made and filed a report and proposal for decision containing findings of fact and conclusions of law, which was served on all parties of record, and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the proposal for decision and the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that the application of XTO Energy, Inc. for the formation of a pooled unit pursuant to the Mineral Interest Pooling Act for the proposed Timber Creek MW 2H Pooled Unit, Well No. 2H, Newark, East (Barnett Shale) Field, Tarrant County, Texas is hereby **GRANTED**.

All interests, including working interests, royalty interests, and unleased mineral interests, in tracts within the area depicted in Appendix 1 to this Final Order are pooled into the Timber Creek MW 2H Pooled Unit, the boundaries of which are shown in Appendix 1 of this order. These interests are pooled into a proration unit for the drilling of a horizontal well in the Newark, E. (Barnett Shale) Field at the location shown on Appendix I of this order. The interests pooled are those in the numbered tracts shown in Appendix I to this order. All interests in tracts shown within the unit area in Appendix are pooled subject to the following terms and conditions:

TERMS AND CONDITIONS

1. The name of the Unit is the XTO Energy, Inc. Timber Creek MW 2H Pooled Unit.
2. The operator of the unit is XTO Energy, Inc.
3. The unit well is depicted on Appendix I to this order.

4. The unit shall be effective on the date this order becomes administratively final.
5. The unit is established for and limited to the depth interval correlative with the Newark, East (Barnett Shale) Field.
6. The unit is established for and limited to the well depicted on Appendix I to this order.
7. For the purpose of determining the portion of production owned by the persons owning interests in the pooled unit, the production shall be allocated to the respective tracts within the unit in the proportion that the number of surface acres included within each tract bears to the number of surface acres included in the entire unit.
8. The interests of lessors of tracts within the unit are pooled as royalty interests. The interests of XTO Energy, Inc., and Chesapeake Exploration, LLC/Total E&P in tracts within the unit are pooled as working interests.
9. The owners of all unleased tracts within the unit are pooled as owners of 1/4th royalty interest and 3/4ths working interest, proportionately reduced. These owners share of expenses, subject to a zero percent risk penalty, are payable only from 3/4ths of production and not from their entire mineral interest.
10. The operator shall make no surface use of the unleased tracts within the unit without the written consent of the unleased owner.
11. XTO Energy, Inc. shall make a diligent effort to determine current addresses for all interest owners in the unit. Except as herein provided, payment of the appropriate pro rata share of the proceeds of production in the unit well shall be made, according to the terms of this final order, to each such interest owner for whom a current address and good title has been determined. The pro rata share of proceeds of production for an interest owner for whom a current address cannot be determined, or who declines to execute a division order in the form prescribed by Texas Natural Resources Code §91.402, shall be held in escrow for the benefit of such owners and be subject to disposition in the manner provided by law.
12. The working interest owners shall adopt a joint operating agreement substantially in the form of the AAPL Form Joint Operation Agreement, which shall not include any provision prohibited by the Mineral Interest Pooling Act or contravene any provision of this final order.

Each exception to the examiners' proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 25 days after the Commission's Order is signed, unless the time for filing a motion for rehearing has been extended under Tex. Gov't Code §2001.142, by agreement under Tex. Gov't Code §2001.147, or by written Commission Order issued pursuant to Tex. Gov't Code §2001.146(e). If a timely motion for rehearing of an application is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to Tex. Gov't Code §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law is hereby extended until 90 days from the date the Commission Order is signed.

Done this 23rd day of May, 2017.

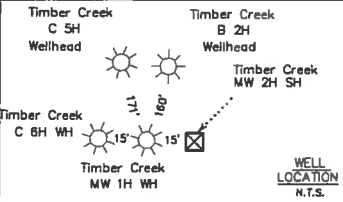
RAILROAD COMMISSION OF TEXAS

Christi Craddick
CHAIRMAN CHRISTI CRADDICK

Ryan Sitton
COMMISSIONER RYAN SITTON

Wayne Christian
COMMISSIONER WAYNE CHRISTIAN

ATTEST:
Sharon Walt
deputy SECRETARY



LEGEND

Unleased Areas

Partially Unleased

Original Scale : 1" = 500

0 250 500 1000

Graphic Scale in Feet

Coordinates are North Central Zone NAD27 Grid Coordinates

Surface location is in the city limit of Benbrook, Texas.

This Plat was prepared to represent the Timber Creek MW Unit 2H gas drilling unit and the mineral tracts within that unit, for the sole use of XTO Energy Inc. and does not represent a boundary survey.

Surface Location
Per Pad layout-Not staked onsite
Elev. 635
X=2,020,362 Y=368,093
Lat.=32.67845 Long.=97.43382

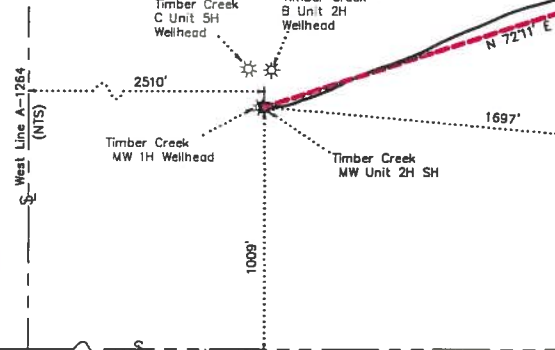
Penetration Point
X=2,022,521 Y=368,787
Lat.=32.68035 Long.=97.42680

Prop. Upper Perf. Point
X=2,022,519 Y=368,737
Lat.=32.68022 Long.=97.42681

Prop. Lower Perf. Point
X=2,022,340 Y=364,696
Lat.=32.66911 Long.=97.42740

Bottom Hole Location
X=2,022,338 Y=364,646
Lat.=32.66897 Long.=97.42741

J. ROGERS SURVEY
A-1264



W.J. JACKSON SURVEY
A-857

Surface Location:
1697' from a west corner of the Timber Creek MW Unit 2H lease and 1009' from the south line and 2510' from the west line of the J. Rogers Survey, A-1264.

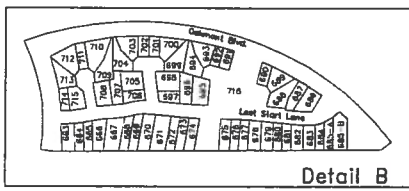
Penetration Point:
435' from the east line and 330' from a north line of the Timber Creek MW Unit 2H lease.

Prop. Upper Perf. Point:
464' from the east line and 379' from a north line of the Timber Creek MW Unit 2H lease.

Prop. Lower Perf. Point:
473' from the east line and 380' from the south line of the Timber Creek MW Unit 2H Lease.

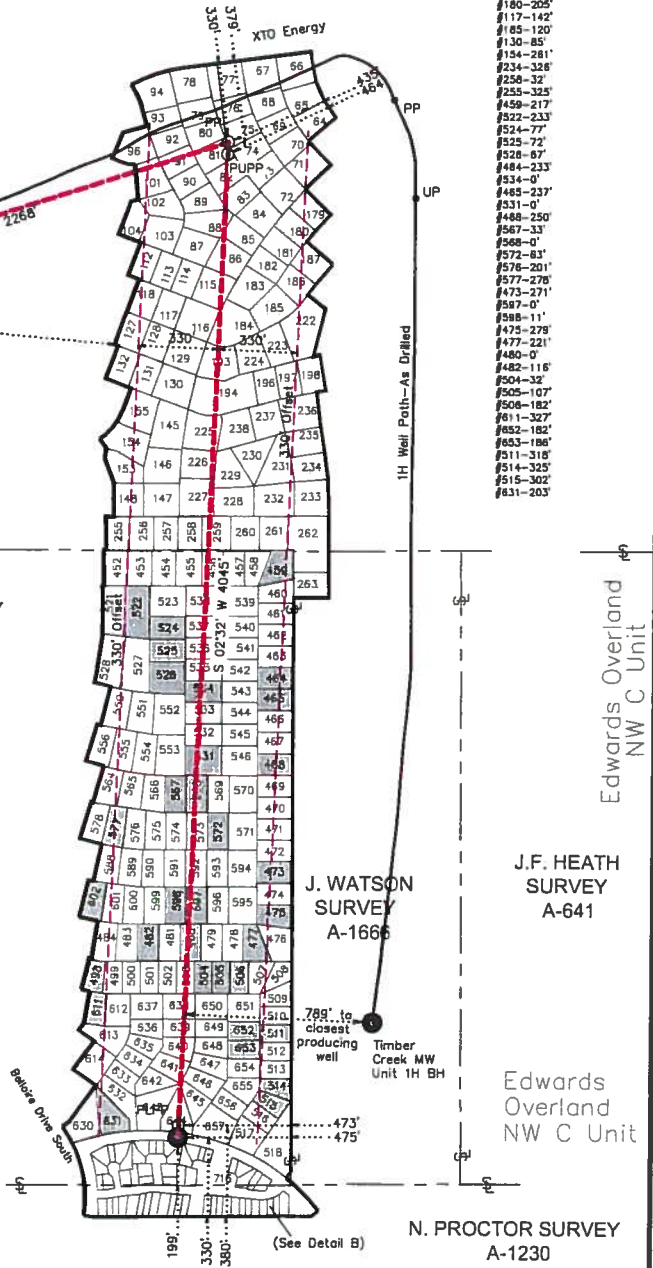
Bottom Hole Location:
475' from the east line and 199' from the south line of the J. Watson Survey, A-1666 and 476' from an east line and 330' from a south line of the Timber Creek MW Unit 2H lease.

J. SPILLMAN SURVEY
A-1377



PREPARED FROM RECORDS AND A SURVEY MADE ON THE GROUND ON JUNE 30, 2011.

George R. Hill
GEORGE R. HILL R.P.L.S. NO. 6022



- Unleased or Partially Unleased Tracts Within 330'
- #65-265'
 - #74-9'
 - #180-205'
 - #117-142'
 - #185-120'
 - #130-85'
 - #154-281'
 - #234-326'
 - #258-32'
 - #255-325'
 - #459-217'
 - #222-233'
 - #524-77'
 - #525-72'
 - #528-67'
 - #484-233'
 - #534-0'
 - #485-237'
 - #531-0'
 - #488-250'
 - #567-33'
 - #568-0'
 - #572-83'
 - #576-201'
 - #577-276'
 - #473-271'
 - #587-0'
 - #588-11'
 - #475-278'
 - #477-221'
 - #480-0'
 - #482-116'
 - #504-32'
 - #505-107'
 - #508-182'
 - #611-327'
 - #652-182'
 - #653-186'
 - #511-318'
 - #514-325'
 - #515-302'
 - #631-203'

Total Leased Area-79.803 Acres
Total Unleased Area-13.485 Acres
Total Unit Area-93.288 Acres

APPENDIX I

Oil & Gas Docket No. 09-0296628
MIPA Application of XTO Energy, Inc.

Proj: 9222-Timber Creek MW Unit 2H RRC (06-15-15)

SCALE 1"=500'

DWN: GRH

DATE: 06/15/15

XTO ENERGY INC.
Timber Creek MW Unit 2H

Geo Surveying, Inc.
3208 S. Main St.
Worth, TX 76110
(817) 926-7876