



PERMIT FOR GAS DRILLING AND PRODUCTION

The City of Arlington hereby issues permission to conduct gas drilling and completion activities associated with the well(s) identified below.

This Gas Well Permit shall be posted in a conspicuous place on the drill site and shall not be removed without prior permission of the Gas Well Inspector. This permit shall be presented to the Inspector or any City official upon request. The terms and provisions of the "Gas Drilling and Production" Chapter of the Code of the City of Arlington, as amended, are incorporated into this Gas Well Permit as if written word for word herein and shall be considered terms and conditions of this Permit. Gas Well Permits are issued pursuant to the "Gas Drilling and Production" Chapter, as amended, and the approving zoning case, gas well resolution, and any associated stipulations made by City Council or the Inspector in accordance with City Code.

Permit Issued to:

Operator Vantage Fort Worth Energy, LLC

Agent to Receive Notice Barry Osborne

Mailing Address 777 Main Street, Suite 790

City Fort Worth State Texas Zip 76102

Work Phone (____) _____ Mobile Phone (214) 205-4360 E-mail barry.osborne@vantageenergy.com

Well Name(s): LABC North 1H, 2H, 3H and LABC South 1H, 2H, 3H

Drill Site Name: LABC Drill Site

Address: 3016 Little Road

Parcel and Production Unit: LABC North and LABC South

RRC Permit Number: 705892, 705893, 705894, 705047, 705054, 705055

Well API Number: 42-439: 35610, 35611, 35612, 35585, 35587, 35588

Comments:

Permits valid until 7-13-11. See page 3 for stipulations.

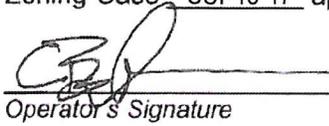
Fee	Receipt or Check No	Gas Well Permit No(s)	CC approval date
\$87,000.00	2436-10551	GW10-115 to GW10-120	12-7-10


Building Official

01/14/2011
Date

Separate permits from the Community Development and Planning Department are required for building, mechanical, electrical, fire, concrete, walls/fencing, and plumbing.

The issuance of this permit shall not be construed as a permit to violate any provision of the Code of the City of Arlington, Texas or the previously approved requirements and associated site plan identified in Zoning Case SUP10-17 approved 10-19-10 and Gas Well Resolution 10-366 approved 12-7-10.


Operator's Signature

10-26-10
Date

C. BARRY OSBORNE
Printed Name

Note: Submit an electronic, color copy of a completed permit that is signed and notarized by the operator. Once issued, an electronic copy will be returned to the Operator. Page 3, Permit Stipulations, will be added at time of permit issuance.

INDEMNIFICATION AND EXPRESS NEGLIGENCE PROVISIONS:

Each gas well permit issued by the inspector shall include the following language:

OPERATOR DOES HEREBY EXPRESSLY RELEASE AND DISCHARGE, ALL CLAIMS, DEMANDS, ACTIONS, JUDGMENTS, AND EXECUTIONS WHICH IT EVER HAD, OR NOW HAS OR MAY HAVE, OR ASSIGNS MAY HAVE, OR CLAIM TO HAVE, AGAINST THE CITY OF ARLINGTON, AND/OR ITS DEPARTMENTS, AGENTS, OFFICERS, SERVANTS, SUCCESSORS, ASSIGNS, SPONSORS, VOLUNTEERS, OR EMPLOYEES, CREATED BY, OR ARISING OUT OF PERSONAL INJURIES, KNOWN OR UNKNOWN, AND INJURIES TO PROPERTY, REAL OR PERSONAL, OR IN ANY WAY INCIDENTAL TO OR IN CONNECTION WITH THE PERFORMANCE OF THE WORK PERFORMED BY THE OPERATOR UNDER A GAS WELL PERMIT. THE OPERATOR SHALL FULLY DEFEND, PROTECT, INDEMNIFY, AND HOLD HARMLESS THE CITY OF ARLINGTON, TEXAS, ITS DEPARTMENTS, AGENTS, OFFICERS, SERVANTS, EMPLOYEES, SUCCESSORS, ASSIGNS, SPONSORS, OR VOLUNTEERS FROM AND AGAINST EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION AND ANY AND ALL LIABILITY, DAMAGES, OBLIGATIONS, JUDGMENTS, LOSSES, FINES, PENALTIES, COSTS, FEES, AND EXPENSES INCURRED IN DEFENSE OF THE CITY OF ARLINGTON, TEXAS, ITS DEPARTMENTS, AGENTS, OFFICERS, SERVANTS, OR EMPLOYEES, INCLUDING, WITHOUT LIMITATION, PERSONAL INJURIES AND DEATH IN CONNECTION THEREWITH WHICH MAY BE MADE OR ASSERTED BY OPERATOR, ITS AGENTS, ASSIGNS, OR ANY THIRD PARTIES ON ACCOUNT OF, ARISING OUT OF, OR IN ANY WAY INCIDENTAL TO OR IN CONNECTION WITH THE PERFORMANCE OF THE WORK PERFORMED BY THE OPERATOR UNDER A GAS WELL PERMIT. THE OPERATOR AGREES TO INDEMNIFY AND HOLD HARMLESS THE CITY OF ARLINGTON, TEXAS, ITS DEPARTMENTS, ITS OFFICERS, AGENTS, SERVANTS, EMPLOYEES, SUCCESSORS, ASSIGNS, SPONSORS, OR VOLUNTEERS FROM ANY LIABILITIES OR DAMAGES SUFFERED AS A RESULT OF CLAIMS, DEMANDS, COSTS, OR JUDGMENTS AGAINST THE CITY, ITS DEPARTMENTS, ITS OFFICERS, AGENTS, SERVANTS, OR EMPLOYEES, CREATED BY, OR ARISING OUT OF THE ACTS OR OMISSIONS OF THE CITY OF ARLINGTON OCCURRING ON THE DRILL SITE OR OPERATION SITE IN THE COURSE AND SCOPE OF INSPECTING AND PERMITTING THE GAS WELLS INCLUDING, BUT NOT LIMITED TO, CLAIMS AND DAMAGES ARISING IN WHOLE OR IN PART FROM THE NEGLIGENCE OF THE CITY OF ARLINGTON OCCURRING ON THE DRILL SITE OR OPERATION SITE IN THE COURSE AND SCOPE OF INSPECTING AND PERMITTING THE GAS WELLS. IT IS UNDERSTOOD AND AGREED THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION IS AN INDEMNITY EXTENDED BY THE OPERATOR TO INDEMNIFY AND PROTECT THE CITY OF ARLINGTON, TEXAS AND/OR ITS DEPARTMENTS, AGENTS, OFFICERS, SERVANTS, OR EMPLOYEES FROM THE CONSEQUENCES OF THE NEGLIGENCE OF THE CITY OF ARLINGTON, TEXAS AND/OR ITS DEPARTMENTS, AGENTS, OFFICERS, SERVANTS, OR EMPLOYEES, WHETHER THAT NEGLIGENCE IS THE SOLE OR CONTRIBUTING CAUSE OF THE RESULTANT INJURY, DEATH, AND/OR DAMAGE.

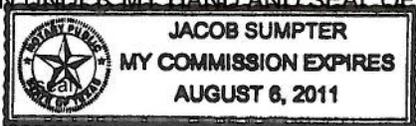
[Signature]
Operator's Signature

10-26-10
Date

C BARRY OSBORNE
Printed Name

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Barry Osborne, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed same for the purposes and consideration therein expressed as the act and deed of Vantage Energy, LLC, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 26 day of OCTOBER, 20 10.



[Signature]
Notary Public In and For The State of Texas

My Commission Expires: 8-06-11

LABC Drill Site Permit Stipulations

1. A sign will be displayed at the gate stating the well number, the name and number of the operator, the emergency 911 number, and the telephone numbers of two contacts.
2. On-site noise monitors established the ambient noise level at 55 dBA. During drilling, the allowable nighttime sound level is 58 dBA and the allowable daytime sound level is 60 dBA. Fracing operations shall not exceed 62 dBA.
3. All noise levels shall be measured at the well setback distance. Due to the proximity of protected uses, the exterior noise shall be continuously monitored in one-minute intervals and forwarded to the City daily.
4. The approved water site plan limits the water withdrawal rate to a maximum of 800 gallons per minute.
5. The transportation route commences at Interstate 20 Highway (I-20). From I-20, travel northbound on West Green Oaks Boulevard, east on West Mayfield Road and then north on Little Road to the site access road on the left. The access road will be constructed of concrete paving from Little Road to the entrance of the drill site. Reverse the directions to exit the site back to I-20.
6. Prior to the commencement of any drilling activity, street trees must be installed within the 10-foot landscape setback along Little Road.
7. The existing trees on the site shall also remain, as illustrated on the landscape plan.
8. Two additional street trees must be planted along the portion of Jewell Road that is not currently screened by the existing tree mass.
9. The existing brick and wrought iron fence along the perimeter of the site shall remain. The drill site, however, must be surrounded by a six-foot black vinyl-coated chain link fence.
10. The access road must be constructed of concrete paving from Little Road to the entrance of the drill site.
11. Pipeline routing information shall be provided to the City once the route is identified.