June 15, 2016

Mr. Brent Brannan
North Dakota Industrial Commission
State Capitol – 14th Floor
600 East Boulevard Ave Dept 405
Bismarck, ND 58505-0840

Re: ND Oil and Gas Research Program Grant Application "***ThermFlo, a novel technology for complete on-site remediation of organically contaminated solids***"

Dear Mr. Brannan:

We understand from a communication you have had with Mr. Ron Drake, Drake Water Technologies, Inc. (Helena, MT) (Drake) that the NDIC review team for the above referenced grant application is requesting assurances that, if the project is funded (with both NDIC and National Oilwell Varco (NOV) funding), the ThermFlo unit will be employed at a drilling or other site in North Dakota for deployment, demonstration, and testing.

As an operating company in North Dakota, XTO Energy Inc. (XTO) would be willing, subject to XTO management approval, execution of acceptable agreements (including, but not limited to, Master Services Agreements, indemnities and releases) by all parties working on the project, and locating a suitable test location for the ThermFlo pilot test unit, to participate in the proposed project. XTO also assumes that its only responsibility with respect to the proposed project would be to identify a location for deployment of the ThermFlo test unit for a period of approximately 2-3 weeks per the grant proposal timeline and pay to Drake and/or NOV the negotiated price for services.

Please feel free to contact me if you would like to discuss this matter in additional detail.

Sincerely,

Ross Lubbers
Western Division Drilling Manager
XTO Energy, Inc.