

API No. <u>42-003-04628</u> Drilling Permit # <u>881867</u> SWR Exception Case/Docket No. _____		RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER <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>				FORM W-1 07/2004 Permit Status: Approved	
1. RRC Operator No. 271567		2. Operator's Name (as shown on form P-5, Organization Report) FIVESTONES ENERGY LLC		3. Operator Address (include street, city, state, zip): PO BOX 51082 MIDLAND, TX 79710-0000			
4. Lease Name UNIVERSITY BB		5. Well No. 3					
GENERAL INFORMATION							
6. Purpose of filing (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input type="checkbox"/> New Drill <input checked="" type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input type="checkbox"/> Re-Enter </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D) </div>							
7. Wellbore Profile (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input checked="" type="checkbox"/> Vertical <input type="checkbox"/> Horizontal (Also File Form W-1H) <input type="checkbox"/> Directional (Also File Form W-1D) <input type="checkbox"/> Sidetrack </div>							
8. Total Depth 7600		9. Do you have the right to develop the minerals under any right-of-way ? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
SURFACE LOCATION AND ACREAGE INFORMATION							
11. RRC District No. 08		12. County ANDREWS		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>19</u> miles in a <u>SW</u> direction from <u>Andrews</u> which is the nearest town in the county of the well site.							
15. Section 35		16. Block 11		17. Survey UL		18. Abstract No. A-U355	
				19. Distance to nearest lease line: ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: 165.38	
21. Lease Perpendiculars: <u>667</u> ft from the <u>SOUTH</u> line and <u>974</u> ft from the <u>WEST</u> line. 22. Survey Perpendiculars: <u>1990</u> ft from the <u>NORTH</u> line and <u>974</u> ft from the <u>WEST</u> line.							
23. Is this a pooled unit? <input type="checkbox"/> Yes <input checked="" 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			
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	
08	57774275	MARTIN (CONSOLIDATED)		Oil Well	7600	0.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
Remarks 				Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge.			
				<div style="display: flex; justify-content: space-between;"> <div> <u>Lisa Mewhorter</u> Name of filer </div> <div> <u>Jul 06, 2022</u> Date submitted </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <u>(432)6189929, x1010</u> Phone </div> <div> <u>lisa@fivese.com</u> E-mail Address (OPTIONAL) </div> </div>			
RRC Use Only <div style="float: right;">Data Validation Time Stamp: Jul 7, 2022 11:39 AM('As Approved' Version)</div>							

RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

PERMIT NUMBER <div style="text-align: right;">881867</div>	DATE PERMIT ISSUED OR AMENDED <div style="text-align: center;">Jul 07, 2022</div>	DISTRICT <div style="text-align: center;">* 08</div>										
API NUMBER <div style="text-align: right;">42-003-04628</div>	FORM W-1 RECEIVED <div style="text-align: center;">Jul 06, 2022</div>	COUNTY <div style="text-align: center;">ANDREWS</div>										
TYPE OF OPERATION <div style="text-align: center;">RECOMPLETION</div>	WELLBORE PROFILE(S) <div style="text-align: center;">Vertical</div>	ACRES <div style="text-align: center;">165.38</div>										
OPERATOR <div style="text-align: right;">271567</div> <div style="text-align: center;">FIVESTONES ENERGY LLC</div> <div style="text-align: center;">PO BOX 51082</div> <div style="text-align: center;">MIDLAND, TX 79710-0000</div>		NOTICE This permit and any allowable assigned may be revoked if payment for fee(s) submitted to the Commission is not honored. District Office Telephone No: <div style="text-align: center;">(432) 684-5581</div>										
LEASE NAME <div style="text-align: center;">UNIVERSITY BB</div>		WELL NUMBER <div style="text-align: center;">3</div>										
LOCATION <div style="text-align: center;">19 miles SW direction from ANDREWS</div>		TOTAL DEPTH <div style="text-align: center;">7600</div>										
Section, Block and/or Survey SECTION ◀ 35 BLOCK ◀ 11 ABSTRACT ◀ U355 SURVEY ◀ UL												
DISTANCE TO SURVEY LINES <div style="text-align: center;">1990 ft. NORTH 974 ft. WEST</div>		DISTANCE TO NEAREST LEASE LINE <div style="text-align: center;">ft.</div>										
DISTANCE TO LEASE LINES <div style="text-align: center;">667 ft. SOUTH 974 ft. WEST</div>		DISTANCE TO NEAREST WELL ON LEASE <div style="text-align: center;">See FIELD(s) Below</div>										
FIELD(s) and LIMITATIONS: <div style="text-align: center;">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</div>												
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">FIELD NAME LEASE NAME</th> <th style="text-align: center;">ACRES NEAREST LEASE</th> <th style="text-align: center;">DEPTH NEAREST LEASE</th> <th style="text-align: center;">WELL # NEAREST WE</th> <th style="text-align: center;">DIST</th> </tr> </thead> <tbody> <tr> <td>MARTIN (CONSOLIDATED) UNIVERSITY BB</td> <td style="text-align: center;">165.38</td> <td style="text-align: center;">7,600</td> <td style="text-align: center;">3 0</td> <td style="text-align: center;">08</td> </tr> </tbody> </table>			FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST LEASE	WELL # NEAREST WE	DIST	MARTIN (CONSOLIDATED) UNIVERSITY BB	165.38	7,600	3 0	08
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MARTIN (CONSOLIDATED) UNIVERSITY BB	165.38	7,600	3 0	08								
RESTRICTIONS: Permitted for oil only. This is a hydrogen sulfide field. Hydrogen Sulfide Fields with perforations must be isolated and tested per State Wide Rule 36 and a Form H-9 filed with the district office. Fields with SWR 10 authority to downhole commingle must be isolated and tested individually prior to commingling production.												
<p style="text-align: center;">THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS</p> <p>This well shall be completed and produced in compliance with applicable special field or statewide spacing and density rules. If this well is to be used for brine mining, underground storage of liquid hydrocarbons in salt formations, or underground storage of gas in salt formations, a permit for that specific purpose must be obtained from Environmental Services prior to construction, including drilling, of the well in accordance with Statewide Rules 81, 95, and 97.</p> <p>This well must comply to the new SWR 3.13 requirements concerning the isolation of any potential flow zones and zones with corrosive formation fluids. See approved permit for those formations that have been identified for the county in which you are drilling the well in.</p>												

**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION
SWR #13 Formation Data**

ANDREWS (003) County

Formation	Remarks	Geological Order	Effective Date
YATES		1	02/09/2020
SEVEN RIVERS		2	02/09/2020
QUEEN		3	02/09/2020
GRAYBURG		4	02/09/2020
SAN ANDRES	CO2 flood, high flows, H2S, corrosive	5	02/09/2020
HOLT		6	02/09/2020
GLORIETA		7	02/09/2020
CLEARFORK		8	02/09/2020
TUBB		9	02/09/2020
PERMIAN DETRITAL		10	02/09/2020
LEON		11	02/09/2020
WICHITA ALBANY		12	02/09/2020
SPRABERRY		13	02/09/2020
DEAN		14	02/09/2020
WOLFCAMP		15	02/09/2020
CANYON		16	02/09/2020
PENNSYLVANIAN		17	02/09/2020
STRAWN		18	02/09/2020
DEVONIAN		19	02/09/2020
SILURIAN		20	02/09/2020
FUSSELMAN		21	02/09/2020
MCKEE		22	02/09/2020
ELLENBURGER		23	02/09/2020
PRECAMBRIAN (UNDIFFERENTIATED)		24	02/09/2020

The above list may not be all inclusive, and may also include formations that do not intersect all wellbores. The listing order of the Formation information reflects the general stratigraphic order and relative geologic age. This is a dynamic list subject to updates and revisions. It is the operator's responsibility to make sure that at the time of spudding the well the most current list is being referenced. Refer to the RRC website at the following address for the most recent information.
<http://www.rrc.texas.gov/oil-gas/compliance-enforcement/rule-13-geologic-formation-info>

Block 11, University Lands Survey
Andrews County, Texas

27

34

26 25

35 36

FIVESTONES ENERGY

165.38 Acres
(Called)

GRID N: (Y)201517.589

GRID E: (X)373127.302

NAD'83 Lat/Long

Lat: 32°06'31.672"

Long: -102°45'23.001"

NAD'27 Lat/Long

Lat: 32°06'31.272"

Long: -102°45'21.428"

1960'

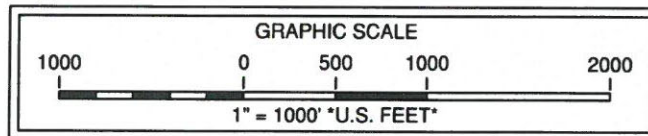
974'

BB #3

EL.

3265

University BB



Note: Well is located 19 miles Southwest of the city of Andrews, Texas.

Note: Survey Reconstruction filed in the Office of Pennell & Marlowe Land Surveyors, Inc.

Note: Coordinates shown herein are on The Texas Coordinate System of 1927, North Central Zone.

Note: Example: (S-99999) indicates General Land Office file number.



Stephen P. Marlowe
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5715

June 16, 2022

220616JR-BCL

P.O. Box 51887, Midland, Texas 79710 (432) 262-0901 Fax (432) 262-0679 Firm #100201-00

USGS Quadrangle Sheet: Bedford Ranch, Tex.

Railroad Commission Permit Plat

FIVESTONES ENERGY

University BB #3

1990' FROM NORTH LINE

974' FROM WEST LINE

University BB Lease

165.38 Acres being the NW/4 of

Section 35, Block 11

University Lands Survey

Andrews County, Texas

Scale: 1" = 1000'