

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 checked="" 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 7930		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 <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input checked="" type="checkbox"/> Land <input type="checkbox"/> Bay/Estuary <input type="checkbox"/> Inland Waterway <input type="checkbox"/> Offshore </div>			
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	7930	0.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
Remarks 				<u>Certificate:</u> 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>Feb 20, 2023</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="display: flex; justify-content: space-between; margin-top: 5px;"> Data Validation Time Stamp: Feb 24, 2023 1:51 PM('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 align="center">881867</div>	DATE PERMIT ISSUED OR AMENDED (AMENDED) Feb 24, 2023	DISTRICT <div align="center">* 08</div>			
API NUMBER <div align="center">42-003-04628</div>	FORM W-1 RECEIVED <div align="center">Feb 20, 2023</div>	COUNTY <div align="center">ANDREWS</div>			
TYPE OF OPERATION <div align="center">RECOMPLETION</div>	WELLBORE PROFILE(S) <div align="center">Vertical</div>	ACRES <div align="center">165.38</div>			
OPERATOR <div align="center"> FIVESTONES ENERGY LLC PO BOX 51082 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 align="center">(432) 684-5581</div>			
LEASE NAME <div align="center">UNIVERSITY BB</div>		WELL NUMBER <div align="center">3</div>			
LOCATION <div align="center">19 miles SW direction from ANDREWS</div>		TOTAL DEPTH <div align="center">7930</div>			
Section, Block and/or Survey <div style="display: flex; justify-content: space-between;"> <div>SECTION 35</div> <div>BLOCK 11</div> <div>ABSTRACT U355</div> </div> <div style="display: flex; justify-content: space-between;"> <div>SURVEY UL</div> </div>					
DISTANCE TO SURVEY LINES <div align="center">1990 ft. NORTH 974 ft. WEST</div>		DISTANCE TO NEAREST LEASE LINE <div align="center">ft.</div>			
DISTANCE TO LEASE LINES <div align="center">667 ft. SOUTH 974 ft. WEST</div>		DISTANCE TO NEAREST WELL ON LEASE <div align="center">See FIELD(s) Below</div>			
FIELD(s) and LIMITATIONS: <div align="center">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</div>					
FIELD NAME LEASE NAME		ACRES NEAREST LEASE	DEPTH NEAREST WE	WELL # NEAREST WE	DIST
----- MARTIN (CONSOLIDATED) UNIVERSITY BB		----- 165.38	----- 7,930	----- 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.					
<div align="center">THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS</div> <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>Currently there are no identified formations listed for this county. It is still the operators responsibility to isolate and report any potential flow zones that are encountered in the completion of this well.</p>					

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"

40 Acre
Proration Unit

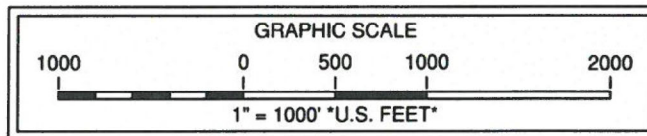
974'

0661

099

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.

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'

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