

API No. <u>42-003-10951</u>	RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION				FORM W-1 07/2004	
Drilling Permit # <u>770615</u>	APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER				Permit Status: Approved	
SWR Exception Case/Docket No. _____		<i>This facsimile W-1 was generated electronically from data submitted to the RRC. A certification of the automated data is available in the RRC's Austin office.</i>				
1. RRC Operator No. 197416		2. Operator's Name (as shown on form P-5, Organization Report) DAKOTA RESOURCES, INC. (I)		3. Operator Address (include street, city, state, zip):		
4. Lease Name UNIVERSITY EMILIE			5. Well No. 2D			
GENERAL INFORMATION						
6. Purpose of filing (mark ALL appropriate boxes): <input type="checkbox"/> New Drill <input type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input checked="" type="checkbox"/> Re-Enter <input type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)						
7. Wellbore Profile (mark ALL appropriate boxes): <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						
8. Total Depth 5600		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 type="checkbox"/> Yes <input checked="" 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>9</u> miles in a <u>NE</u> direction from <u>Andrews</u> which is the nearest town in the county of the well site.						
15. Section 35	16. Block 4	17. Survey UL		18. Abstract No. A-U97	19. Distance to nearest lease line: 467 ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: 320.2
21. Lease Perpendiculars: <u>467</u> ft from the <u>NORTH</u> line and <u>1240</u> ft from the <u>EAST</u> line.		22. Survey Perpendiculars: <u>467</u> ft from the <u>NORTH</u> line and <u>1240</u> ft from the <u>EAST</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	85280300	SPRABERRY (TREND AREA)		Injection Well	5600	764.00
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS						
Remarks				<p style="text-align: center;">Certificate:</p> <p>I certify that information stated in this application is true and complete, to the best of my knowledge.</p> <p style="text-align: center;"><u>Pam Morphew, Vice President</u> <u>Sep 25, 2013</u> Name of filer Date submitted</p> <p style="text-align: center;"><u>(432)6973420</u> <u>pamm@dakotares.com</u> Phone E-mail Address (OPTIONAL)</p>		
RRC Use Only Data Validation Time Stamp: Sep 30, 2013 11:43 AM('As Approved' Version)						

STATEMENT OF MAILING

I HEREBY CERTIFY THAT ON JANUARY 17, 2013 A TRUE AND CORRECT COPY OF THE FORM W-14 FOR THE DISPOSAL APPLICATION OF DAKOTA RESOURCES, INC. (I) ON THEIR UNIVERSITY EMILIE WELL NO. 2D IN ANDREWS COUNTY, TEXAS WAS PLACED IN THE U.S. MAIL, POSTAGE PREPAID, TO THE FOLLOWING PARTIES.



DALE E. MILLER

COUNTY CLERK

Andrews County Clerk
P.O. Box 727
Andrews, TX 79714

OFFSET OPERATORS

Adkins Production
P.O. Box 2066
Andrews, TX 79714

Williams, Clayton Energy, Inc.
6 Desta Drive, Suite 2100
Midland, TX 79705

Wind River Energy, Inc.
P.O. Box 50455
Midland, TX 79710-455

SURFACE OWNER

University Lands
James R. Buice
P.O. Box 553
Midland, TX 79702-0553

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

JAN 17 2013

O&G

Form W-14

05/2004
MIL0205

APPLICATION TO DISPOSE OF OIL AND GAS WASTE BY INJECTION
INTO A FORMATION NOT PRODUCTIVE OF OIL AND GAS

1. Operator Name Dakota Resources, Inc. (I) 2. Operator P-5 No. 197416
3. Operator Address: 4914 N. Midkiff Rd., Midland, Texas 79705

4. County Andrews 5. RRC District No. 08
6. Field Name Spraberry (Trend Area) 7. Field Number 85280300
8. Lease Name University Emilie 9. Lease/Gas ID No. N/A

10. Well is 9 miles in a NE direction from Andrews (center of nearest town). 11. No. acres in lease 320
12. Legal description of location including distance and direction from survey lines 467' FNL & 1,240' FEL
Sec. 35, Blk. 4, UL Survey A-U97
13. Latitude/Longitude, if known (Optional) Lat. _____ Long. _____

14. New Permit: Yes No If no, amendment of Permit No. _____ UIC# _____
15. Reason for amendment: Pressure Volume Interval Commercial Other (explain) _____

16. Well No. 2D	17. API No. 42-003-10951	18. Date Drilled 11/20/1967			19. Total Depth Prop. 5,600'	20. Plug Date, if re-entry 03/09/1973	
Casing	Size	Setting Depths	Hole Size	Casing Weight	Cement Class	Cement Sacks (#)	Top of cement
21. Surface	8 5/8"	309'	12 1/4"	24#		210	Surface
22. Intermediate							Circulation
23. Long String	5 1/2"	4,993'	7 7/8"	15.5#		950	Surface
24. Liner							Circulation
25. Other							

26. Depth to base of Deepest Freshwater Zone 1,700' 27. Multiple completion? Yes No
28. Multistage cement? Yes No If yes, DV Tool Depth: _____ ft. No. Sacks: _____ Top of Cement: _____
29. Bridge Plug Depth: _____ ft. 30. Injection Tubing Size: 2 3/8 in. and Depth 4,893 ft. 31. Packer Depth: 4,893 ft.
32. Cement Squeeze Operations (List all giving interval and number of sacks of cement and cement top and whether Proposed or Complete.):
PROPOSED: Squeeze existing perforations 4,927' - 4,936.5' with 25 sacks cement.

33. Injection Interval from 4,993 to 5,600 ft. 34. Name of Disposal Formation Grayburg & San Andres
35. Any Oil and Gas Productive Zone within two miles? Yes No
If yes, Depth _____ ft. and Reservoir Name _____ (Not within proposed disposal interval)

36. Maximum Daily Injection Volume 2,000 bpd 37. Estimated Average Daily Injection Volume 1,000 bpd
38. Maximum Surface Injection Pressure 2,496 psig 39. Estimated Average Surface Injection Pressure 700 psig

40. Source of Fluids (Formation, depths and types): Wolfberry, Trend Area & Strawn (±8,500' - 11,000')
41. Are fluids from leases other than lease identified in Item 8? Yes No 42. Commercial Disposal Well? Yes No
43. If commercial disposal, will non-hazardous oil and gas waste other than produced water be disposed of? Yes No
44. Type(s) of Injection Fluid: Salt Water Brackish Water Fresh Water CO₂ N₂ Air H₂S
LPG NORM Natural Gas Polymer Other (explain) _____

CERTIFICATE
I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that the data and facts stated therein are true, correct, and complete to the best of my knowledge.

Signature Chris Morphew Date 12-20-12
Name of Person (type or print) Chris Morphew
weldon@milconinc.com
Phone (432) 697-3420 Fax _____

FOR OFFICE USE ONLY REGISTER NO. 100005 AMOUNT \$ 10000

APPLICANT ALSO MUST COMPLY WITH THE INSTRUCTIONS ON THE REVERSE SIDE



RAILROAD COMMISSION OF TEXAS

OIL AND GAS DIVISION

PERMIT TO DISPOSE OF NON-HAZARDOUS OIL AND GAS WASTE BY INJECTION INTO A POROUS FORMATION NOT PRODUCTIVE OF OIL AND GAS

PERMIT NO. 14046 AMENDMENT

DAKOTA RESOURCES, INC. (I)
4914 N MIDKIFF RD
MIDLAND, TX 79705

Authority is granted to inject Non-Hazardous Oil and Gas waste into the well identified herein in accordance with Statewide Rule 9 of the Railroad Commission of Texas and based on information contained in the application (Form W-14) dated December 20, 2012 and subject to the following terms and special conditions:

UNIVERSITY EMILIE (000000) LEASE
SPRABERRY (TREND AREA) FIELD
ANDREWS COUNTY
DISTRICT 08

WELL IDENTIFICATION AND PERMIT PARAMETERS:

Well No.	API No.	UIC Number	Permitted Fluids	Top Interval (feet)	Bottom Interval (feet)	Maximum Liquid Daily Injection Volume (BBL/day)	Maximum Gas Daily Injection Volume (MCF/day)	Maximum Surface Injection Pressure for Liquid (PSIG)	Maximum Surface Injection Pressure for Gas (PSIG)
2D	00310951	000107294	Salt Water	4993	5600	2000	NA	2496	NA

SPECIAL CONDITIONS:

Well No.	API No.	Special Conditions
2D	00310951	<ol style="list-style-type: none">1. An annual annulus pressure test must be performed and the results submitted in accordance with the instructions of Form H-5.2. The tubing-casing annulus pressure must be monitored at least weekly and reported annually on Form H-10 to the Commission's Austin Office.

STANDARD CONDITIONS:

1. Injection must be through tubing set on a packer. The packer must be set no higher than 100 feet above the top of the permitted interval.

2. The District Office must be notified 48 hours prior to:
 - a. running tubing and setting packer;
 - b. beginning any work over or remedial operation;
 - c. conducting any required pressure tests or surveys.
3. The wellhead must be equipped with a pressure observation valve on the tubing and for each annulus.
4. Prior to beginning injection and subsequently after any work over, an annulus pressure test must be performed. The test pressure must equal the maximum authorized injection pressure or 500 psig, whichever is less, but must be at least 200 psig. The test must be performed and the results submitted in accordance with the instructions of Form H-5.
5. The injection pressure and injection volume must be monitored at least monthly and reported annually on Form H-10 to the Commission's Austin office.
6. Within 30 days after completion, conversion to disposal, or any work over which results in a change in well completion, a new Form W-2 or G-1 must be filed to show the current completion status of the well. The date of the disposal well permit and the permit number must be included on the new Form W-2 or G-1.
7. Written notice of intent to transfer the permit to another operator by filing Form P-4 must be submitted to the Commission at least 15 days prior to the date of the transfer.
8. This permit will expire when the Form W-3, Plugging Record, is filed with the Commission. Furthermore, permits issued for wells to be drilled will expire three (3) years from the date of the permit unless drilling operations have commenced.

Provided further that, should it be determined that such injection fluid is not confined to the approved interval, then the permission given herein is suspended and the disposal operation must be stopped until the fluid migration from such interval is eliminated. Failure to comply with all of the conditions of this permit may result in the operator being referred to enforcement to consider assessment of administrative penalties and/or the cancellation of the permit.

APPROVED AND ISSUED ON April 18, 2013.



 Doug O. Johnson, PE
 Assistant Director
 for Technical Permitting

Amendment Comments:

Well No.	API No.	Amendment Comments
2D	00310951	1. In-house amends permit dated April 11, 2013. 2. Amended to correct the lease name from University Emillie and the API No. from 003-01095.

PERMIT NO. 14046
 Page 2 of 2

Note: This document will only be distributed electronically.

Wind River Energy, Inc.

Block 4, University Lands

Clayton Williams Energy, Inc.

27 26

Clayton Williams Energy, Inc.

25

34 35

N 77°29'49" E 5290.06

DAKOTA RESOURCES, Inc. (I)

36

Clayton Williams Energy, Inc.



N 12°29'43" W 5275.88

Wind River Energy, Inc.

S 12°27'19" E 5276.11

Conoco Phillips Company

Wind River Energy, Inc.

S 77°29'58" W 5286.40

320.2 Acres

University Emilie

39
Oxy USA Inc.

Oxy USA Inc.

38 37

Clayton Williams Energy, Inc.

Note: Survey Reconstruction filed in the Office of Luchini and Mertz Land Surveying Company.
 Note: All bearings and coordinates shown are based on the Texas Coordinate System of 1927, North Central Zone.
 A combined grid factor of 0.999788863 must be divided into Section Line distances to obtain a true horizontal distance.
 Note: Example: (S-99999) indicates General Land Office file number.
 Note: NAD '27 Coordinates & NAD '83 Decimal Latitude/Longitude on well location in Section 35.
 Note: Well location is approximately 10 miles northeast of Andrews.

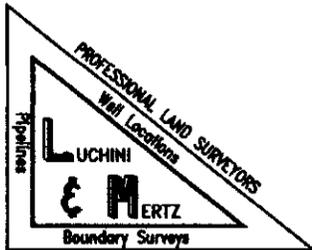
#2D
 X: 483399.23 Latitude: 32.41991246°
 Y: 309491.98 Longitude: -102.41698400°



Steven L. Prewit

February 15, 2013

130215M



Railroad Commission Permit Plat

DAKOTA RESOURCES, Inc. (I)
 "University Emilie" Lease
 E/2 of
 Section 35, Block 4,
 University Lands,
 Andrews County, Texas

Scale: 1" = 1000'