

API No. <u>42-003-39755</u> Drilling Permit # <u>682870</u> SWR Exception Case/Docket No. _____		<b>RAILROAD COMMISSION OF TEXAS</b> <b>OIL &amp; GAS DIVISION</b> <b>APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER</b> <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>			<b>FORM W-1</b> 07/2004 Permit Status: <b>Approved</b>	
1. RRC Operator No. <u>275740</u>		2. Operator's Name (as shown on form P-5, Organization Report) <u>FOREST OIL CORPORATION</u>		3. Operator Address (include street, city, state, zip): 		
4. Lease Name <u>PHILLIPS UNIVERSITY P</u>		5. Well No. <u>12</u>				
<b>GENERAL INFORMATION</b>						
6. Purpose of filing (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between;"> <span><input type="checkbox"/> New Drill</span> <span><input checked="" type="checkbox"/> Recompletion</span> <span><input type="checkbox"/> Reclass</span> <span><input type="checkbox"/> Field Transfer</span> <span><input type="checkbox"/> Re-Enter</span> </div> <div style="display: flex; justify-content: space-between;"> <span><input type="checkbox"/> Amended</span> <span><input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)</span> </div>						
7. Wellbore Profile (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between;"> <span><input checked="" type="checkbox"/> Vertical</span> <span><input type="checkbox"/> Horizontal (Also File Form W-1H)</span> <span><input type="checkbox"/> Directional (Also File Form W-1D)</span> <span><input type="checkbox"/> Sidetrack</span> </div>						
8. Total Depth <u>8000</u>		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		
<b>SURFACE LOCATION AND ACREAGE INFORMATION</b>						
11. RRC District No. <u>08</u>		12. County <u>ANDREWS</u>		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>17</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 <u>13</u>	16. Block <u>11</u>	17. Survey <u>UL</u>	18. Abstract No. <u>A-</u>	19. Distance to nearest lease line: <u>330</u> ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>320</u>	
21. Lease Perpendiculars: <u>330</u> ft from the <u>SOUTH</u> line and <u>1062</u> ft from the <u>WEST</u> line.						
22. Survey Perpendiculars: <u>330</u> ft from the <u>SOUTH</u> line and <u>1650</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		
<b>FIELD INFORMATION</b> 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	32. Number of Wells on this lease in this Reservoir
08	57774581	MARTIN (SAN ANDRES)	Oil Well	8000	3095.00	3
<b>BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS</b>						
<b>Remarks</b> [RRC STAFF Jul 8, 2009 3:10 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Jul 24, 2009 11:27 AM]: As per Myriah Carter: The well count should be 3 (including the 6 and 10), with the nearest well being #10 at 3095" away. Please find plat attached.; [RRC STAFF Jul 24, 2009 11:27 AM]: Corrected plat attached.; [RRC STAFF Jul 24, 2009 11:34 AM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Aug 19, 2009 4:39 PM]: Revised plat attached.; [RRC STAFF Aug 19, 2009 4:39 PM]: Problems identified with this permit are resolved.			<b>Certificate:</b> 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>Myriah Carter, Regulatory Tech</u>            Name of filer  <u>(303)812-1426</u>            Phone         </div> <div> <u>Jul 08, 2009</u>            Date submitted  <u>mtcarter@forestoil.com</u>            E-mail Address (OPTIONAL)         </div> </div>			
<b>RRC Use Only</b> Data Validation Time Stamp: <u>Aug 20, 2009 10:34 AM( Current Version )</u>						

## Rev 5/21/07

**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 682870	DATE PERMIT ISSUED OR AMENDED Aug 20, 2009	DISTRICT * 08
API NUMBER 42-003-39755	FORM W-1 RECEIVED Jul 08, 2009	COUNTY ANDREWS
TYPE OF OPERATION RECOMPLETION	WELLBORE PROFILE(S) Vertical	ACRES 320
OPERATOR FOREST OIL CORPORATION 275740		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: (432) 684-5581
LEASE NAME PHILLIPS UNIVERSITY P		WELL NUMBER 12
LOCATION 17 miles SW direction from ANDREWS		TOTAL DEPTH 8000
Section, Block and/or Survey SECTION ◀ 13                      BLOCK ◀ 11                      ABSTRACT ◀ SURVEY ◀ UL		
DISTANCE TO SURVEY LINES 330 ft. SOUTH    1650 ft. EAST		DISTANCE TO NEAREST LEASE LINE 330 ft.
DISTANCE TO LEASE LINES 330 ft. SOUTH    1062 ft. WEST		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below
FIELD(s) and LIMITATIONS: * SEE FIELD DISTRICT FOR REPORTING PURPOSES *		
FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST WE
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MARTIN (SAN ANDRES)	320.00	8,000
PHILLIPS UNIVERSITY P	330	3095
DIST 08		
RESTRICTIONS: This is a hydrogen sulfide field. This well shall be drilled in accordance with SWR 36.		
<p align="center"><b>THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS</b></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>		