

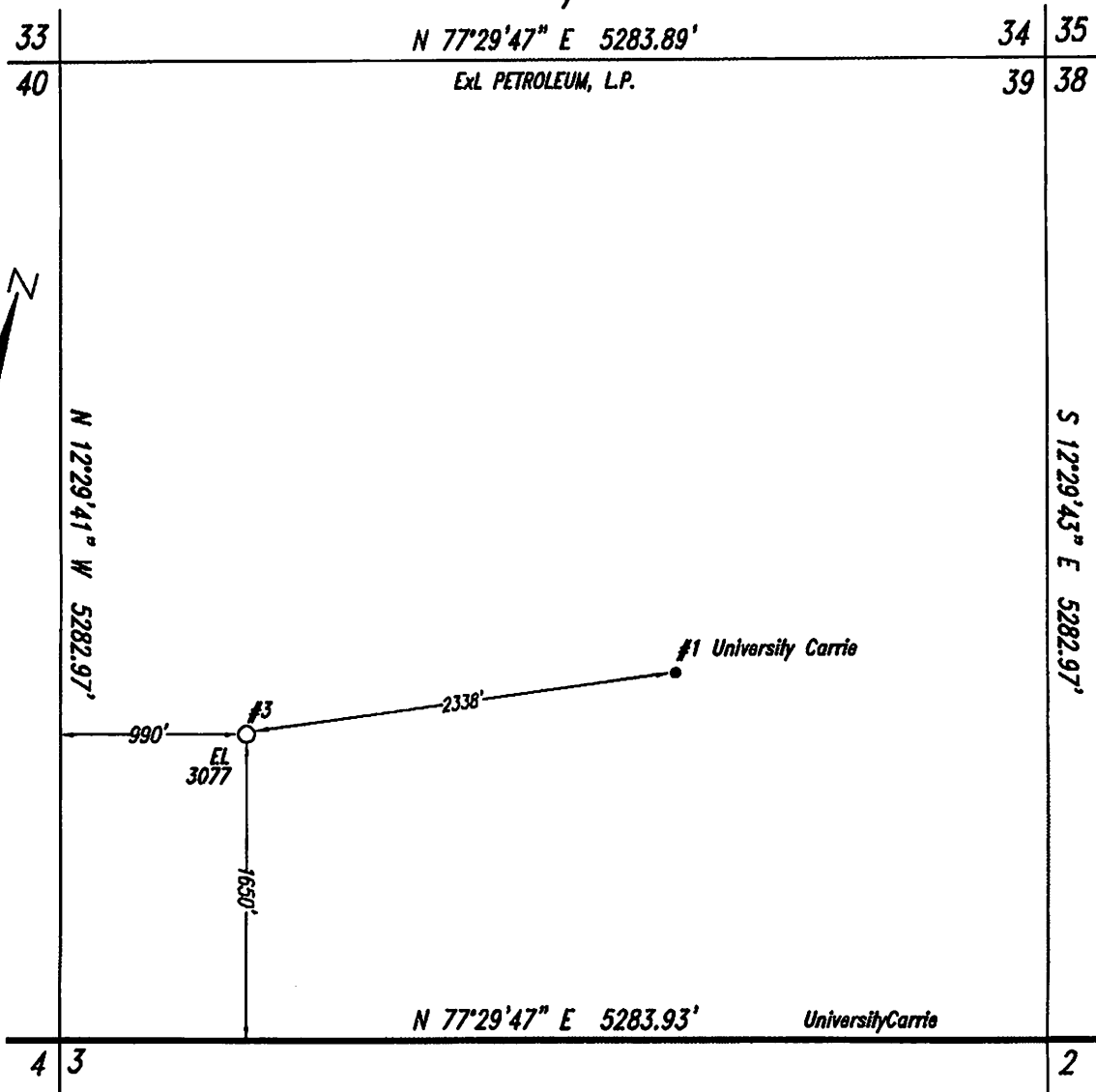
API No. <u>42-003-42136</u> Drilling Permit # <u>703130</u> SWR Exception Case/Docket No. _____		<b>RAILROAD COMMISSION OF TEXAS</b> <b>OIL &amp; GAS DIVISION</b> <b>APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER</b> <i>This facsimile W-1 was generated electronically from data submitted to 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>256791</u>		2. Operator's Name (as shown on form P-5, Organization Report) <u>EXL PETROLEUM, LP</u>		3. Operator Address (include street, city, state, zip): _____ _____ _____		
4. Lease Name <u>UNIVERSITYCARRIE</u>		5. Well No. <u>3</u>				
<b>GENERAL INFORMATION</b>						
6. Purpose of filing (mark ALL appropriate boxes): <input checked="" type="checkbox"/> New Drill <input type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input 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 <u>11500</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>8.7</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 <u>39</u>	16. Block <u>4</u>	17. Survey <u>UL</u>	18. Abstract No. <u>A-</u>	19. Distance to nearest lease line: <u>990</u> ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>640.5</u>	
21. Lease Perpendiculars: <u>1650</u> ft from the <u>SOUTH</u> line and <u>990</u> ft from the <u>WEST</u> line. 22. Survey Perpendiculars: <u>1650</u> ft from the <u>SOUTH</u> line and <u>990</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		
<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	
08	79735500	SAINT WILMA (STRAWN)	Oil Well	11500	2338.00	
<b>BOTTOMHOLE LOCATION INFORMATION</b> is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS						
<b>Remarks</b> _____ _____ _____			<b>Certificate:</b> I certify that information stated in this application is true and complete, to the best of my knowledge. <b>Miguel Grella, Cementing &amp; Stimulation Specialist</b>			
			Name of filer _____ Date submitted <u>Oct 01, 2010</u> <u>(432)6868080, x45</u> <u>miguelg@exlpetroleum.com</u> Phone E-mail Address (OPTIONAL)			
<b>RRC Use Only</b> Data Validation Time Stamp:    Oct 12, 2010 11:08 AM( Current Version )						

**RAILROAD COMMISSION OF TEXAS  
OIL & GAS DIVISION**

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

<b>PERMIT NUMBER</b> <div style="text-align: right;">703130</div>	<b>DATE PERMIT ISSUED OR AMENDED</b> <div style="text-align: center;">Oct 12, 2010</div>	<b>DISTRICT</b> <div style="text-align: center;">* 08</div>																				
<b>API NUMBER</b> <div style="text-align: right;">42-003-42136</div>	<b>FORM W-1 RECEIVED</b> <div style="text-align: center;">Oct 01, 2010</div>	<b>COUNTY</b> <div style="text-align: center;">ANDREWS</div>																				
<b>TYPE OF OPERATION</b> <div style="text-align: center;">NEW DRILL</div>	<b>WELLBORE PROFILE(S)</b> <div style="text-align: center;">Vertical</div>	<b>ACRES</b> <div style="text-align: center;">640.5</div>																				
<b>OPERATOR</b> <div style="text-align: right;">256791</div> <div style="text-align: center;">EXL PETROLEUM, LP</div>		<b>NOTICE</b> This permit and any allowable assigned may be revoked if payment for fee(s) submitted to the Commission is not honored. <b>District Office Telephone No:</b> <div style="text-align: center;">(432) 684-5581</div>																				
<b>LEASE NAME</b> <div style="text-align: center;">UNIVERSITYCARRIE</div>		<b>WELL NUMBER</b> <div style="text-align: center;">3</div>																				
<b>LOCATION</b> <div style="text-align: center;">8.7 miles NE direction from ANDREWS</div>		<b>TOTAL DEPTH</b> <div style="text-align: center;">11500</div>																				
<b>Section, Block and/or Survey</b> <div style="display: flex; justify-content: space-between;"> <div>SECTION ◀ 39</div> <div>BLOCK ◀ 4</div> <div>ABSTRACT ◀</div> </div> <div style="display: flex; justify-content: space-between;"> <div>SURVEY ◀ UL</div> </div>																						
<b>DISTANCE TO SURVEY LINES</b> <div style="text-align: center;">1650 ft. SOUTH    990 ft. WEST</div>		<b>DISTANCE TO NEAREST LEASE LINE</b> <div style="text-align: center;">990 ft.</div>																				
<b>DISTANCE TO LEASE LINES</b> <div style="text-align: center;">1650 ft. SOUTH    990 ft. WEST</div>		<b>DISTANCE TO NEAREST WELL ON LEASE</b> <div style="text-align: center;">See FIELD(s) Below</div>																				
<b>FIELD(s) and LIMITATIONS:</b> <div style="text-align: center;">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</div>																						
<table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:60%;">FIELD NAME LEASE NAME</th> <th style="width:10%;">ACRES NEAREST LEASE</th> <th style="width:10%;">DEPTH</th> <th style="width:10%;">WELL # NEAREST WE</th> <th style="width:10%;">DIST</th> </tr> </thead> <tbody> <tr> <td>-----</td> <td>-----</td> <td>-----</td> <td>-----</td> <td>---</td> </tr> <tr> <td>SAINT WILMA (STRAWN)</td> <td align="center">640.50</td> <td align="center">11,500</td> <td align="center">3</td> <td align="center">08</td> </tr> <tr> <td>UNIVERSITYCARRIE</td> <td align="center">990</td> <td></td> <td align="center">2338</td> <td></td> </tr> </tbody> </table>			FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH	WELL # NEAREST WE	DIST	-----	-----	-----	-----	---	SAINT WILMA (STRAWN)	640.50	11,500	3	08	UNIVERSITYCARRIE	990		2338	
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UNIVERSITYCARRIE	990		2338																			
<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>																						

# Block 4, University Land



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 0.999791372 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 39  
 Note: Well location is approximately 8.7 miles northeast of Andrews.

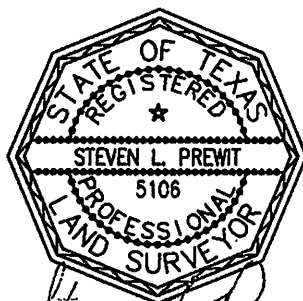
#3

X: 477079.91 Latitude- 32.391508305°N  
 Y: 299443.70 Longitude- 102.435910074°W

Railroad Commission Permit Plat

ExL PETROLEUM, L.P.  
 "UniversityCarrie" Lease  
 all of  
 Section 39, Block 4,  
 University Land,  
 Andrews County, Texas

Scale: 1" = 1000'



*Steven L. Prewit*

September 2, 2010

100902PP1

