

API No. <u>42-003-43815</u> Drilling Permit # <u>730250</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. 252002		2. Operator's Name (as shown on form P-5, Organization Report) ENERGEN RESOURCES CORPORATION		3. Operator Address (include street, city, state, zip):			
4. Lease Name BLOCK 10 FUHRMAN MASCHO UNIT		5. Well No. 1038					
GENERAL INFORMATION							
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 4900		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>12.5</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 10	16. Block 10	17. Survey UNIVERSITY LAND		18. Abstract No. A-	19. Distance to nearest lease line: 2737 ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: 6134.43	
21. Lease Perpendiculars: <u>6013</u> ft from the <u>SOUTH</u> line and <u>2737</u> ft from the <u>WEST</u> line.							
22. Survey Perpendiculars: <u>636</u> ft from the <u>SOUTH</u> line and <u>2685</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	33176001	FUHRMAN-MASCHO		Oil Well	4900	630.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
Remarks [FILER Dec 19, 2011 10:02 AM]: WELL COUNT INCLUDES 10 SHUT IN WELLS; [RRC STAFF Dec 22, 2011 1:30 PM]: Changed nearest well distance per plat. Well #78 is plugged.; [RRC STAFF Dec 22, 2011 1:30 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Dec 22, 2011 1:30 PM]: Problems identified with this permit are resolved.				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> Sandie Barnett, Regulatory Analyst Name of filer (432)6843693 Phone </div> <div> Dec 19, 2011 Date submitted midlandrrc@energen.com E-mail Address (OPTIONAL) </div> </div>			
RRC Use Only				Data Validation Time Stamp Jan 3, 2012 10:24 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

PERMIT NUMBER 730250	DATE PERMIT ISSUED OR AMENDED Dec 22, 2011	DISTRICT * 08	
API NUMBER 42-003-43815	FORM W-1 RECEIVED Dec 19, 2011	COUNTY ANDREWS	
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Vertical	ACRES 6134.43	
OPERATOR ENERGEN RESOURCES CORPORATION		252002 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 BLOCK 10 FUHRMAN MASCHO UNIT		WELL NUMBER 1038	
LOCATION 12.5 miles SW direction from ANDREWS		TOTAL DEPTH 4900	
Section, Block and/or Survey SECTION ◀ 10 BLOCK ◀ 10 ABSTRACT ◀ SURVEY ◀ UNIVERSITY LAND			
DISTANCE TO SURVEY LINES 636 ft. SOUTH 2685 ft. EAST		DISTANCE TO NEAREST LEASE LINE 2737 ft.	
DISTANCE TO LEASE LINES 6013 ft. SOUTH 2737 ft. WEST		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below	
FIELD(s) and LIMITATIONS: <p align="center">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</p>			
FIELD NAME LEASE NAME		ACRES NEAREST LEASE	DEPTH NEAREST WE
FUHRMAN-MASCHO		6134.43	4,900
BLOCK 10 FUHRMAN MASCHO UNIT		2737	1038
			630
RESTRICTIONS: 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 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>			



Texas Commission
on Environmental Quality
Surface Casing Program

DEPTH OF USABLE-QUALITY GROUND WATER TO BE PROTECTED

Date **May 14, 2010**

TCEQ File No.: SC- **13548**

***** EXPEDITED APPLICATION *****

API Number **00341679**

Attention: **ERIN STRATTON**

RRC Lease No. **021930**

SC_252002_00341679_021930_13548.pdf

**ENERGEN RESOURCES CORP
3300 N A ST
BLDG 4 STE 100
MIDLAND TX 79705**

--Measured--

477 ft FWL

148 ft FNL

MRL: SURVEY

P-5# 252002

Digital Map Location:

X-coord/Long **394018**

Y-coord/Lat **230184**

Datum **27** Zone **NC**

County **ANDREWS**

Lease & Well No. **BLOCK 10 FUHRMAN-MASCHO UNIT #1001&ALL**

Purpose **ND**

Location **SUR-UL, BLK-10, SEC-10, -- [TD=4900] , [RRC 8] , [PSC#12796]**

To protect usable-quality ground water at this location, the Texas Commission on Environmental Quality recommends:

**The interval from the land surface to a depth of 250 feet
and the ZONE from 1150 feet to 1550 feet must be protected.**

This recommendation is applicable to all wells drilled in this SECTION 10.

Note: Unless stated otherwise, this recommendation is intended to apply only to the subject well and not for area-wide use. Approval of the well completion methods for protection of this groundwater falls under the jurisdiction of the Railroad Commission of Texas. This recommendation is intended for normal drilling, production, and plugging operations only. It does not apply to saltwater disposal operation into a nonproductive zone (RRC Form W-14).

If you have any questions, please contact us at 512-239-0515, sc@tceq.state.tx.us, or by mail MC-151.

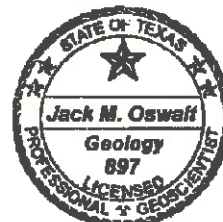
Sincerely,

Digitally signed by Jack M Oswalt
DN: c=US, st=Texas, l=Austin,
cn=Jack M Oswalt,
email=joswalt@tceq.state.tx.us
Date: 2010.05.14 10:44:39 -05'00'

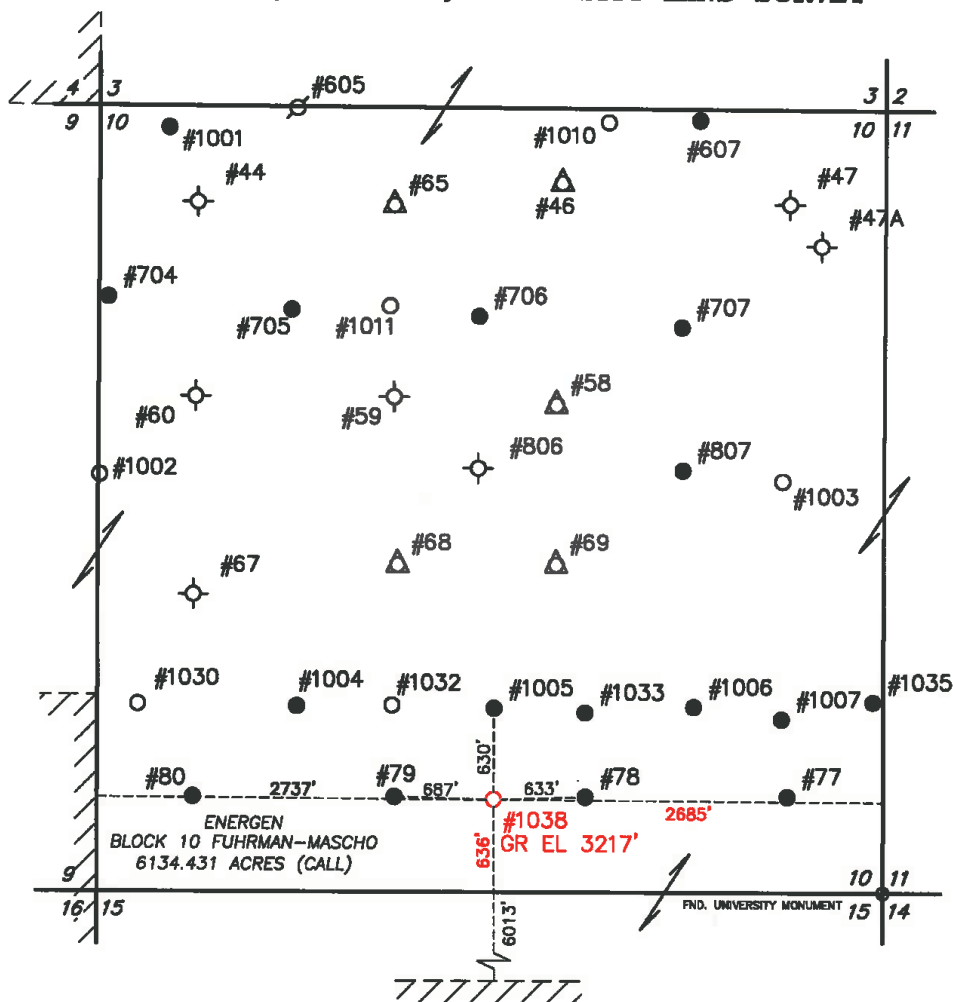
Jack M. Oswalt, P.G.

Geologist, Surface Casing Team
Waste Permits Division

GEOLOGIST SEAL



The seal appearing on this document was authorized by Jack M. Oswalt on 5/14/2010
Note: Alteration of this electronic document will invalidate the digital signature.

SECTION 10, BLOCK 10, UNIVERSITY LAND SURVEY**NAD 27, TEXAS NORTH CENTRAL ZONE**

N=226167.0', E=397227.6' LAT=32.1797577°N, LONG=102.6825809°W.

NAD 83, TEXAS NORTH CENTRAL ZONE

N=6774098.6', E=674726.2' LAT=32.1797577°N, LONG=102.6825809°W.

DISTANCE TO THE NEAREST LEASE LINE

6013' FSL & 2737' FWL

APPROXIMATELY 12.5 MILES SW OF ANDREWS, TEXAS

- ☼ GAS WELL
- △ WATER INJECTION WELL
- OIL WELL
- LOCATED WELL
- ⊙ DRY HOLE
- ⊙ WATER WELL
- ⊙ SHUT IN WELL

NOTES:

1. COORDINATES AND BEARINGS ARE BASED ON A LAMBERT CONICAL PROJECTION OF THE STATE PLANE COORDINATE SYSTEM AND ARE CORRECT TO THE TEXAS NORTH CENTRAL ZONE WITH A CONVERGENCE ANGLE OF -2.175317887 AND A DISTANCE ARE OF GRID VALUE WITH A CENTRAL COMBINED SCALE FACTOR OF 1.000004981.
2. THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE REPORT AND REVIEW OF THE ABSTRACT OF TITLE. THERE MAY BE EASEMENTS AND/OR COVENANTS AFFECTING THIS PROPERTY NOT SHOWN HEREON. LOCATION OF IMPROVEMENTS AND/OR EASEMENTS WERE BEYOND COMMISSIONED SCOPE OF THIS PROJECT AND HAVE BEEN SPECIFICALLY OMITTED. VESTING DOCUMENTS NOT FURNISHED FOR THIS SURVEY.
3. SEE DOCUMENTS AND ELECTRONIC DATA FILED IN THE OFFICE OF WFG INC FOR COMPLETE RECONSTRUCTION OF THESE SECTIONS OR BLOCKS.

I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT THE SURVEY INFORMATION FOUND ON THIS PLAT WAS DERIVED FROM ACTUAL FIELD NOTES OF ON-THE-GROUND SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. NO WARRANTY IS MADE OR INTENDED FOR THE LOCATION OF ANY OR ALL EASEMENTS THAT MAY EXIST WITHIN THE BOUNDS OF THIS SURVEY. THE INFORMATION PRESENTED HEREON IS FOR THE PRIVATE USE OF THE PARTY NAMED IN THE "REFERENCE PORTION" OF THE TITLE BLOCK AND DOES NOT CONSTITUTE A COMPLETE BOUNDARY SURVEY AS DEFINED BY THE "PROFESSIONAL LAND SURVEYING PRACTICES ACT."

12/15/11

W.D. Watson, Jr. TEXAS R.P.L.S. No. 1989
FILE: M:\DWG\SLAMAK\BLK10.dwg

DATE

1000

0

1000

2000 FEET

Watson
Professional
Group Inc



P.O. DRAWER 11086
MIDLAND, TEXAS 79702
(432) 520-9200
FAX (432) 520-9212
wdwatson@wpg-us.com

CONSULTING ENGINEERS, LAND SURVEYORS & PLANNERS

PERMIT PLAT

ENERGEN RESOURCES
BLOCK 10 FUHRMAN-MASCHO UNIT #1038
636' FSL & 2685' FEL
SECTION 10, BLOCK 10, UNIVERSITY LAND SURVEY
ANDREWS COUNTY, TEXAS

DATE: DECEMBER 1, 2011

DATE SURVEYED: 11/28/11

JOB NO.: 11-1342-00 FIELD BOOK 648/96

DRAFT NGH REV. 0