

API No. <u>42-003-45184</u> Drilling Permit # <u>756932</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> Permit Status: <b>Approved</b>	
1. RRC Operator No. <div style="text-align: center;">271567</div>		2. Operator's Name (as shown on form P-5, Organization Report) <div style="text-align: center;">FIVESTONES ENERGY LLC</div>			3. Operator Address (include street, city, state, zip) <div style="text-align: center;">PO BOX 51082 MIDLAND, TX 79710-0000</div>		
4. Lease Name <div style="text-align: center;">TCU UNIVERSITY</div>			5. Well No. <div style="text-align: center;">2</div>				
<b>GENERAL INFORMATION</b>							
6. Purpose of filing (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span><input checked="" type="checkbox"/> New Drill</span> <span><input 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; margin-top: 5px;"> <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; margin-top: 5px;"> <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 <div style="text-align: center;">13500</div>		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. <div style="text-align: center;">08</div>		12. County <div style="text-align: center;">ANDREWS</div>		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>14.5</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 <div style="text-align: center;">27</div>	16. Block <div style="text-align: center;">5</div>	17. Survey <div style="text-align: center;">UL</div>	18. Abstract No. <div style="text-align: center;">U131</div>	19. Distance to nearest lease line: <div style="text-align: center;">467.0 ft.</div>	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <div style="text-align: center;">323.6</div>		
21. Lease Perpendiculars: <u>561.0</u> ft. from the <u>S</u> line and <u>467.0</u> ft. from the <u>W</u> line. 22. Survey Perpendiculars: <u>1880.0</u> ft. from the <u>S</u> line and <u>467.0</u> ft. from the <u>W</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   List all fields of anticipated completion including Wildcat. List one zone per line.</b>							
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	85280300	SPRABERRY (TREND AREA)	Oil or Gas Well	12500	3041.0	3	
08	56822750	MAGUTEX (STRAWN)	Oil Well	11000	3041.0	3	
08	56822050	MAGUTEX (ATOKA)	Oil Well	11200	3041.0	3	
<b>BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS</b>							
<b>Remarks</b> [FILER 02/18/2013 09:49:45 AM]: Filing permits on all wells at the same time - none have been drilled yet.;				<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>           RRC User _____            Name of filer _____             Phone _____         </div> <div>           02/18/2013 _____            Date Submitted _____             Email Address(OPTIONAL) _____         </div> </div>			
<b>RRC Use Only   Date Validation Time Stamp:   Tue, 12 Mar 2013 11:03:23</b>							

**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 <b>756932</b>	DATE PERMIT ISSUED OR AMENDED <b>Feb 25, 2013</b>	DISTRICT <b>* 08</b>
API NUMBER <b>42-003-45184</b>	FORM W-1 RECEIVED <b>Feb 18, 2013</b>	COUNTY <b>ANDREWS</b>
TYPE OF OPERATION <b>NEW DRILL</b>	WELLBORE PROFILE(S) <b>Vertical</b>	ACRES <b>323.6</b>
OPERATOR <b>FIVESTONES ENERGY LLC</b> <b>271567</b>		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: <b>(432) 684-5581</b>
LEASE NAME <b>TCU UNIVERSITY</b>		WELL NUMBER <b>2</b>
LOCATION <b>14.5 miles NE direction from ANDREWS</b>		TOTAL DEPTH <b>13500</b>
Section, Block and/or Survey SECTION ◀ <b>27</b> BLOCK ◀ <b>5</b> ABSTRACT ◀ <b>U131</b> SURVEY ◀ <b>UL</b>		
DISTANCE TO SURVEY LINES <b>1880 ft. S    467 ft. W</b>		DISTANCE TO NEAREST LEASE LINE <b>467 ft.</b>
DISTANCE TO LEASE LINES <b>561 ft. S    467 ft. W</b>		DISTANCE TO NEAREST WELL ON LEASE <b>See FIELD(s) Below</b>
FIELD(s) and LIMITATIONS: <p align="center"><b>* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</b></p>		
FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST LEASE
SPRABERRY (TREND AREA) TCU UNIVERSITY	323.60 467	12,500 3041
MAGUTEX (ATOKA) TCU UNIVERSITY	323.60 467	11,200 3041
MAGUTEX (STRAWN) TCU UNIVERSITY	323.60 467	11,000 3041

**THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS**

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.

Groundwater  
Advisory Unit

GROUNDWATER PROTECTION DETERMINATION

Date **February 25, 2013**

GAU File No.: SC- **15692**

API Number **00300000**

Attention: **LISA MEWHORTER**

RRC Lease No. **000000**

**SC\_271567\_00300000\_000000\_15692.pdf**

--Measured--

Digital Map Location:

**FIVESTONES ENERGY LLC  
PO BOX 51082  
MIDLAND TX 79710**

**467 ft FWL**

X-coord/Long **102.34698**

**1880 ft FSL**

Y-coord/Lat **32.44268**

**MRL:SECTION**

Datum **83** Zone

**P-5# 271567**

County **ANDREWS**

Lease & Well No. **TCU UNIVERSITY #2**

Purpose **ND**

Location **SUR-UL,BLK-5,SEC-27,--[TD=13500],[RRC 08],**

To protect usable-quality groundwater at this location, the Groundwater Advisory Unit of the Texas Railroad Commission recommends:

**The interval from the land surface to a depth of 275 feet and the ZONE from 1225 feet to 1775 feet must be protected.**

Note: Unless stated otherwise, this recommendation is intended to apply only to the subject well and not for area-wide use. 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).

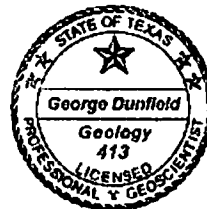
If you have any questions, please contact us at 512-463-2741, [gau@rrc.state.tx.us](mailto:gau@rrc.state.tx.us) or by mail

Sincerely,

Digitally signed by George Dunfield  
DN: c=US, st=TEXAS, o=Austin,  
ou=Railroad Commission of Texas,  
cn=George Dunfield,  
email=george.dunfield@rrc.state.tx.us  
Date: 2013.02.25 08:46:26 -0600

**George Dunfield, P.G.**

GEOLOGIST SEAL



Geologist, Groundwater Advisory Unit  
Oil & Gas Division

The seal appearing on this document was authorized by George Dunfield on 2/25/2013  
Note: Alteration of this electronic document will invalidate the digital signature.

# Block 5, University Lands Survey Andrews County, Texas

21 22  
28 27

23  
26

FIVESTONES ENERGY, LLC.

323.6 Acres

GRID N: 316762.491  
GRID E: 505359.535  
NAD'83 Lat/Long  
Lat: +32.442681°  
Long: -102.346980°

#3

#2  
467'  
561'  
EL.  
3004

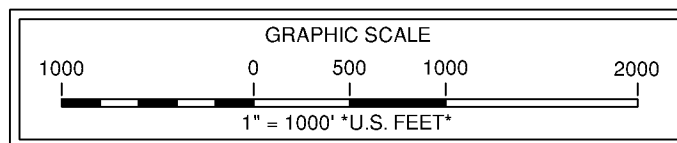
3041'

#1

TCU University

33 34

35



Note: Well is located 14.5 miles Northeast 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.

Revised 01/15/2013 (JFG)  
USGS Quadrangle Sheet: Five Wells Ranch, Tex.

Railroad Commission Permit Plat

FIVESTONES ENERGY, LLC.

TCU University #2

1880' FROM SOUTH LINE

467' FROM WEST LINE

TCU University Lease

323.6 Acres being the NE/4 & N/2 S/2 of  
Section 27, Block 5

University Lands Survey  
Andrews County, Texas

Scale: 1" = 1000'



December 13, 2012

121213M1-KRM

*Stephen P. Marlowe*  
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5715

P.O. Box 51887, Midland, Texas, 79710 (432) 262-0901 Fax (432) 262-0679