

API No. <u>42-103-33479</u> Drilling Permit # <u>839365</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. <b>630591</b>		2. Operator's Name (as shown on form P-5, Organization Report) <b>OXY USA INC.</b>		3. Operator Address (include street, city, state, zip): <b>5 GREENWAY PLAZA SUITE 110</b> <b>HOUSTON, TX 77046-0000</b>			
4. Lease Name <b>BLOCK 31 UNIT</b>		5. Well No. <b>O 11</b>					
<b>GENERAL INFORMATION</b>							
6. Purpose of filing (mark ALL appropriate boxes): <input type="checkbox"/> New Drill <input checked="" 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 <b>7500</b>		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. <b>08</b>		12. County <b>CRANE</b>		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>7.7</u> miles in a <u>NW</u> direction from <u>CRANE</u> which is the nearest town in the county of the well site.							
15. Section <b>27</b>		16. Block <b>31</b>		17. Survey <b>UNIVERSITY LANDS</b>		18. Abstract No. <b>A-</b>	
				19. Distance to nearest lease line: <b>6556</b> ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: <b>7520</b>	
21. Lease Perpendiculars: <u>8159</u> ft from the <u>EAST</u> line and <u>9390</u> ft from the <u>NORTH</u> line. 22. Survey Perpendiculars: <u>2406</u> ft from the <u>WEST</u> line and <u>1181</u> ft from the <u>SOUTH</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	92505500	UNIVERSITY 31 WEST (U. DEVONIAN)		Oil Well	7400	4123.00	
<b>BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS</b>							
<b>Remarks</b> See W1 Comments attached				<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>Nipal Holland, Analyst</u>            Name of filer  <u>(713)4972052</u>            Phone         </div> <div> <u>Apr 27, 2018</u>            Date submitted  <u>nipal_holland@oxy.com</u>            E-mail Address (OPTIONAL)         </div> </div>			
<b>RRC Use Only</b> Data Validation Time Stamp: May 14, 2018 12:08 PM( Current Version )							

Permit Status:        **Approved**

*The RRC has not approved this application.  
Duplication or distribution of information is at  
the user's own risk.*

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

**APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER**

*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.*

**W-1 Comments**

Permit #                      **839365**

Approved Date:    **May 14, 2018**

[FILER Apr 27, 2018 10:48 AM]: Recompleting gas well from the Devonian into the Univeristy 31 West (U.Devonian) field. Well count includes 5 permitted but not recompleted wells, plus Status 839362, submitted W-1 but not approved, total well count =7.; [RRC STAFF Apr 30, 2018 8:40 AM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF May 4, 2018 7:58 AM]: Problems identified with this permit are resolved.; [RRC STAFF May 4, 2018 8:50 AM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF May 14, 2018 11:02 AM]: Problems identified with this permit are resolved.; [RRC STAFF May 14, 2018 11:03 AM]: Correct plat submitted by Nipal Holland.; [RRC STAFF May 14, 2018 11:03 AM]: Nearest LL changed per plat.; [RRC STAFF May 14, 2018 11:22 AM]: Nearest lease line corrected back to 6556, as filed by the operator. This is the distance to the NW lease corner, as shown on the plat.

**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 <div style="text-align: right;">839365</div>	DATE PERMIT ISSUED OR AMENDED <div style="text-align: center;">May 14, 2018</div>	DISTRICT <div style="text-align: center;">* 08</div>																				
API NUMBER <div style="text-align: right;">42-103-33479</div>	FORM W-1 RECEIVED <div style="text-align: center;">Apr 27, 2018</div>	COUNTY <div style="text-align: center;">CRANE</div>																				
TYPE OF OPERATION <div style="text-align: center;">RECOMPLETION</div>	WELLBORE PROFILE(S) <div style="text-align: center;">Vertical</div>	ACRES <div style="text-align: center;">7520</div>																				
OPERATOR <div style="text-align: right;">630591</div> <div style="text-align: center;">                     OXY USA INC.                       5 GREENWAY PLAZA SUITE 110                      HOUSTON, TX 77046-0000                 </div>		NOTICE 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> (432) 684-5581																				
LEASE NAME <div style="text-align: center;">BLOCK 31 UNIT</div>		WELL NUMBER <div style="text-align: center;">O 11</div>																				
LOCATION <div style="text-align: center;">7.7 miles NW direction from CRANE</div>		TOTAL DEPTH <div style="text-align: center;">7500</div>																				
Section, Block and/or Survey SECTION ◀ 27                      BLOCK ◀ 31                      ABSTRACT ◀ SURVEY ◀ UNIVERSITY LANDS																						
DISTANCE TO SURVEY LINES <div style="text-align: center;">2406 ft. WEST    1181 ft. SOUTH</div>		DISTANCE TO NEAREST LEASE LINE <div style="text-align: center;">6556 ft.</div>																				
DISTANCE TO LEASE LINES <div style="text-align: center;">8159 ft. EAST    9390 ft. NORTH</div>		DISTANCE TO NEAREST WELL ON LEASE <div style="text-align: center;">See FIELD(s) Below</div>																				
FIELD(s) and LIMITATIONS: <div style="text-align: center;">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</div>																						
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">FIELD NAME LEASE NAME</th> <th style="text-align: center;">ACRES NEAREST LEASE</th> <th style="text-align: center;">DEPTH</th> <th style="text-align: center;">WELL # NEAREST WE</th> <th style="text-align: center;">DIST</th> </tr> </thead> <tbody> <tr> <td>-----</td> <td>-----</td> <td>-----</td> <td>-----</td> <td>---</td> </tr> <tr> <td>UNIVERSITY 31 WEST (U. DEVONIAN)</td> <td style="text-align: center;">7520.00</td> <td style="text-align: center;">7,400</td> <td style="text-align: center;">O 11</td> <td style="text-align: center;">08</td> </tr> <tr> <td>BLOCK 31 UNIT</td> <td style="text-align: center;">6556</td> <td></td> <td style="text-align: center;">4123</td> <td></td> </tr> </tbody> </table>			FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH	WELL # NEAREST WE	DIST	-----	-----	-----	-----	---	UNIVERSITY 31 WEST (U. DEVONIAN)	7520.00	7,400	O 11	08	BLOCK 31 UNIT	6556		4123	
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BLOCK 31 UNIT	6556		4123																			
<p style="text-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> <p>This well must comply to the new SWR 3.13 requirements concerning the isolation of any potential flow zones and zones with corrosive formation fluids. See approved permit for those formations that have been identified for the county in which you are drilling the well in.</p>																						

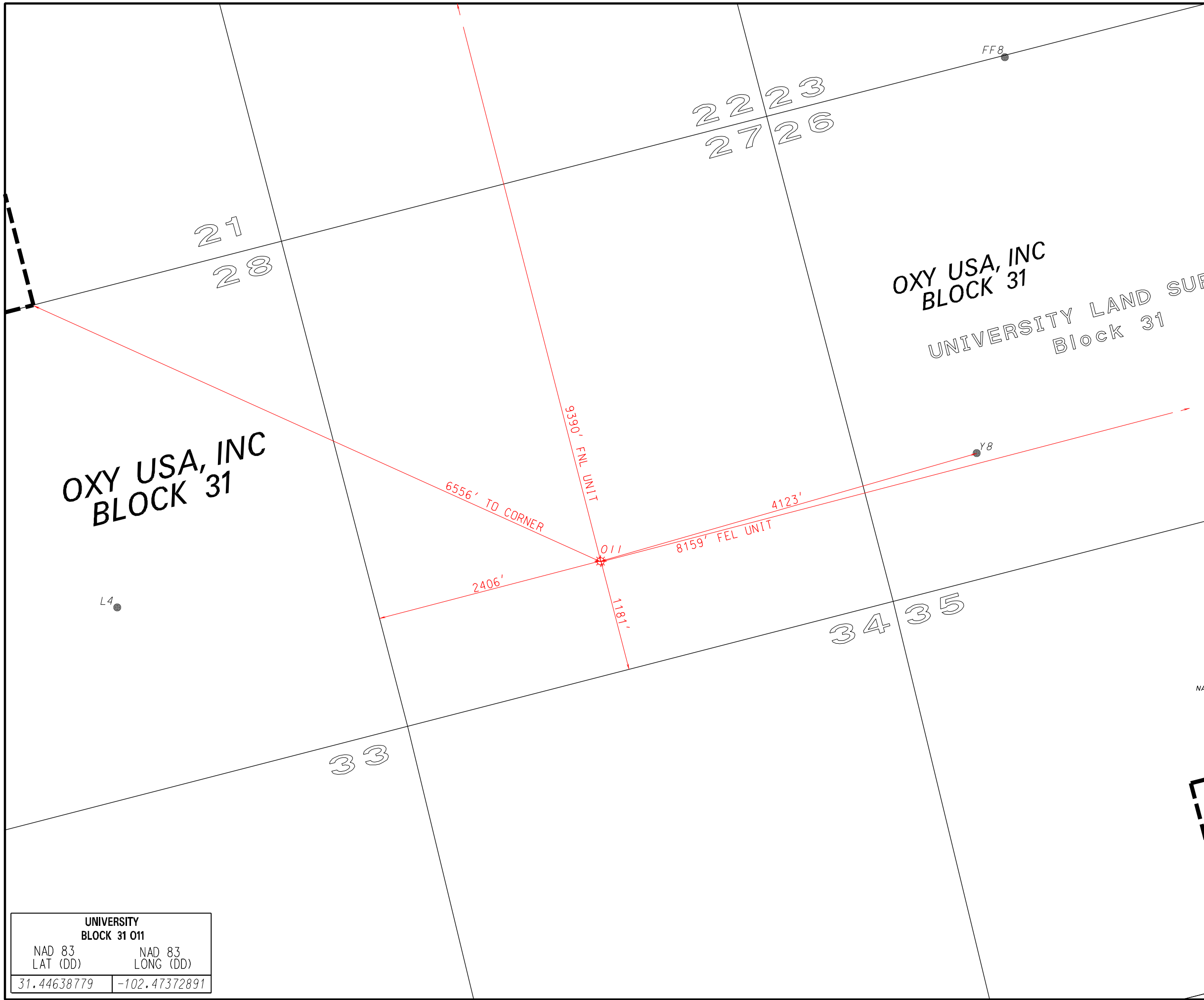
**RAILROAD COMMISSION OF TEXAS  
OIL & GAS DIVISION  
SWR #13 Formation Data**

**CRANE (103) County**

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
RUSTLER	1,000	1,000		1	12/17/2013
YATES	1,200	3,000		2	12/17/2013
GRAYBURG	2,100	3,100	Active CO2 flood	3	12/17/2013
SAN ANDRES	1,850	3,500	Usable Quality Water/Active CO2 flood	4	12/17/2013
SAN ANGELO	3,600	3,700		5	12/17/2013
SEVEN RIVERS	1,300	3,970		6	12/17/2013
GLORIETA	2,700	4,200		7	12/17/2013
PERMIAN GENERAL	3,900	4,200		8	12/17/2013
QUEEN	2,100	4,370		9	12/17/2013
CLEARFORK	2,900	4,400		10	12/17/2013
MONTOYA	5,300	5,300		11	12/17/2013
TUBB	3,350	5,400		12	12/17/2013
WICHITA ALBANY	5,400	6,000		13	12/17/2013
FUSSELMAN	6,400	7,400		14	12/17/2013
WOLFCAMP	5,000	7,500		15	12/17/2013
WADDELL	6,100	7,600		16	12/17/2013
BEND	7,700	7,700		17	12/17/2013
PENNSYLVANIAN	7,200	8,000		18	12/17/2013
CISCO	7,400	8,500		19	12/17/2013
STRAWN	8,600	8,600		20	12/17/2013
DEVONIAN	4,900	9,700	Active CO2 flood	21	12/17/2013
ELLENBURGER	5,400	11,700		22	12/17/2013

The above list may not be all inclusive, and may also include formations that do not intersect all wellbores. Formation "TOP" information listed reflects an estimated range based on geologic variances across the county. To clarify, the "Deep Top" is not the bottom of the formation; it is the deepest depth at which the "TOP" of the formation has been or might be encountered. This is a dynamic list subject to updates and revisions. It is the operator's responsibility to make sure that at the time of spudding the well the most current list is being referenced. Refer to the RRC website at the following address for the most recent information.  
<http://www.rrc.texas.gov/oil-gas/compliance-enforcement/rule-13-geologic-formation-info>

WELL DATA - NAD 27, TX(NC)  
Lat.= 31°27'43.27";Long.= -102°27'10.51"  
Ground Elevation: 2565.1'  
Approx. 7.7 miles Northwest of Crane, TX



UNIVERSITY 31 WEST (U. DEVONIAN) FIELD  
UNIT ACREAGE = 7520± AC.  
UNIT BOUNDARY - - - - -  
PRODUCING WELL - - - - - ●  
INJECTION WELL - - - - - ●  
WELL LOCATIONS - - - - - ○  
PROPOSED CONVERSION - - - - - ○<sub>PC</sub>

I, DENNIS W. HUGHES hereby certify that this plat,  
drawn to the scale indicated, accurately represents  
conditions as they actually exist on the property  
on which permit to drill is sought and correctly  
reflects all pertinent data required to be shown on  
such plat by orders of the Railroad Commission of Texas.

*Dennis W. Hughes*  
Date: 4/25/2018

GRID  
NAD27 TNCZ  
USFT

UNIVERSITY BLOCK 31 011	
NAD 83 LAT (DD)	NAD 83 LONG (DD)
31.44638779	-102.47372891

Partial Unit Plat

**BLOCK 31 UNIT**

Well No. 011

Crane County, Texas

Scale: 1"= 1000' 4/25/2018 466/block\_31.DGN  
Plat prepared by MEH  
Horizon Survey, Inc.