

API No. <u>42-103-33825</u> Drilling Permit # <u>836895</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;">630591</div>		2. Operator's Name (as shown on form P-5, Organization Report) <div style="text-align: center;">OXY USA INC.</div>			3. Operator Address (include street, city, state, zip) ATTN KELLEY MONTGOMERY 5 GREENWAY PLAZA SUITE 110 HOUSTON, TX 77046-0000		
4. Lease Name <div style="text-align: center;">BLOCK 31 UNIT</div>			5. Well No. <div style="text-align: center;">M 5</div>				
GENERAL INFORMATION							
6. Purpose of filing (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <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; margin-top: 5px;"> <span><input checked="" 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;">9100</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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
SURFACE LOCATION AND ACREAGE INFORMATION							
11. RRC District No. <div style="text-align: center;">08</div>		12. County <div style="text-align: center;">CRANE</div>		13. Surface Location <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span><input checked="" type="checkbox"/> Land</span> <span><input type="checkbox"/> Bay/Estuary</span> <span><input type="checkbox"/> Inland Waterway</span> <span><input type="checkbox"/> Offshore</span> </div>			
14. This well is to be located <u>6.5</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 <div style="text-align: center;">39</div>	16. Block <div style="text-align: center;">31</div>	17. Survey <div style="text-align: center;">UL</div>	18. Abstract No. <div style="text-align: center;">U87</div>	19. Distance to nearest lease line: <div style="text-align: center;">2621.0 ft.</div>	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <div style="text-align: center;">7840.0</div>		
21. Lease Perpendiculars: <u>4101.0</u> ft. from the <u>EAST</u> line and <u>2621.0</u> ft. from the <u>SOUTH</u> line. 22. Survey Perpendiculars: <u>1223.0</u> ft. from the <u>WEST</u> line and <u>2621.0</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			
FIELD INFORMATION <b>List all fields of anticipated completion including Wildcat. List one zone per line.</b>							
26. RRC District No. <div style="text-align: center;">08</div>	27. Field No. <div style="text-align: center;">09358900</div>	28. Field Name (exactly as shown in RRC records) <div style="text-align: center;">BLOCK 31 (PENN. 7620)</div>	29. Well Type <div style="text-align: center;">Oil Well</div>	30. Completion Depth <div style="text-align: center;">7275</div>	31. Distance to Nearest Well in this Reservoir <div style="text-align: center;">10663.0</div>	32. Number of Wells on this lease in this Reservoir <div style="text-align: center;">5</div>	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
<b>Remarks</b> [FILER 03/05/2019 03:19:07 PM]: Amending field from University 31 West (U. Devonian) 92505500, to Block 31 (PENN. 7620) 09358900. Well count # 5, pending status 837278, 836894.;				<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>           03/05/2019 _____            Date Submitted _____             Email Address(OPTIONAL) _____         </div> </div>			
<b>RRC Use Only</b> Date Validation Time Stamp:      Fri, 8 Mar 2019 12:48:37							

**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>836895</b>	DATE PERMIT ISSUED OR AMENDED (AMENDED) 03/07/2019	DISTRICT <b>08</b>
API NUMBER <b>42-103-33825</b>	FORM W-1 RECEIVED <b>03/05/2019</b>	COUNTY <b>CRANE</b>
TYPE OF OPERATION <b>Recompletion</b>	WELLBORE PROFILE(S) <b>Vertical</b>	ACRES <b>7840.0</b>
OPERATOR <b>OXY USA INC.</b> <b>ATTN KELLEY MONTGOMERY</b> <b>5 GREENWAY PLAZA SUITE 110</b> <b>HOUSTON, TX 77046-0000</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>BLOCK 31 UNIT</b>		WELL NUMBER <b>M 5</b>
LOCATION <b>6.5 miles NW direction from CRANE</b>		TOTAL DEPTH <b>9100</b>
Section, Block and/or Survey SECTION <b>39</b> BLOCK <b>31</b> ABSTRACT <b>U87</b> SURVEY <b>UL</b>		
DISTANCE TO SURVEY LINES <b>1223.0 ft WEST 2621.0 ft SOUTH</b>		DISTANCE TO NEAREST LEASE LINE <b>2621.0</b>
DISTANCE TO LEASE LINES <b>4101.0 ft EAST 2621.0 ft SOUTH</b>		DISTANCE TO NEAREST WELL ON LEASE <b>See FIELD(s) Below</b>

FIELD(s) and LIMITATIONS:

\* SEE FIELD DISTRICT FOR REPORTING PURPOSES \*

FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH	WELL# NEAREST WELL	DIST
BLOCK 31 (PENN. 7620)	7840.0	7275	M 5	08
BLOCK 31 UNIT	2621.0		10663.0	

This is a hydrogen sulfide field. This well shall be drilled in accordance with SWR 36.

**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.

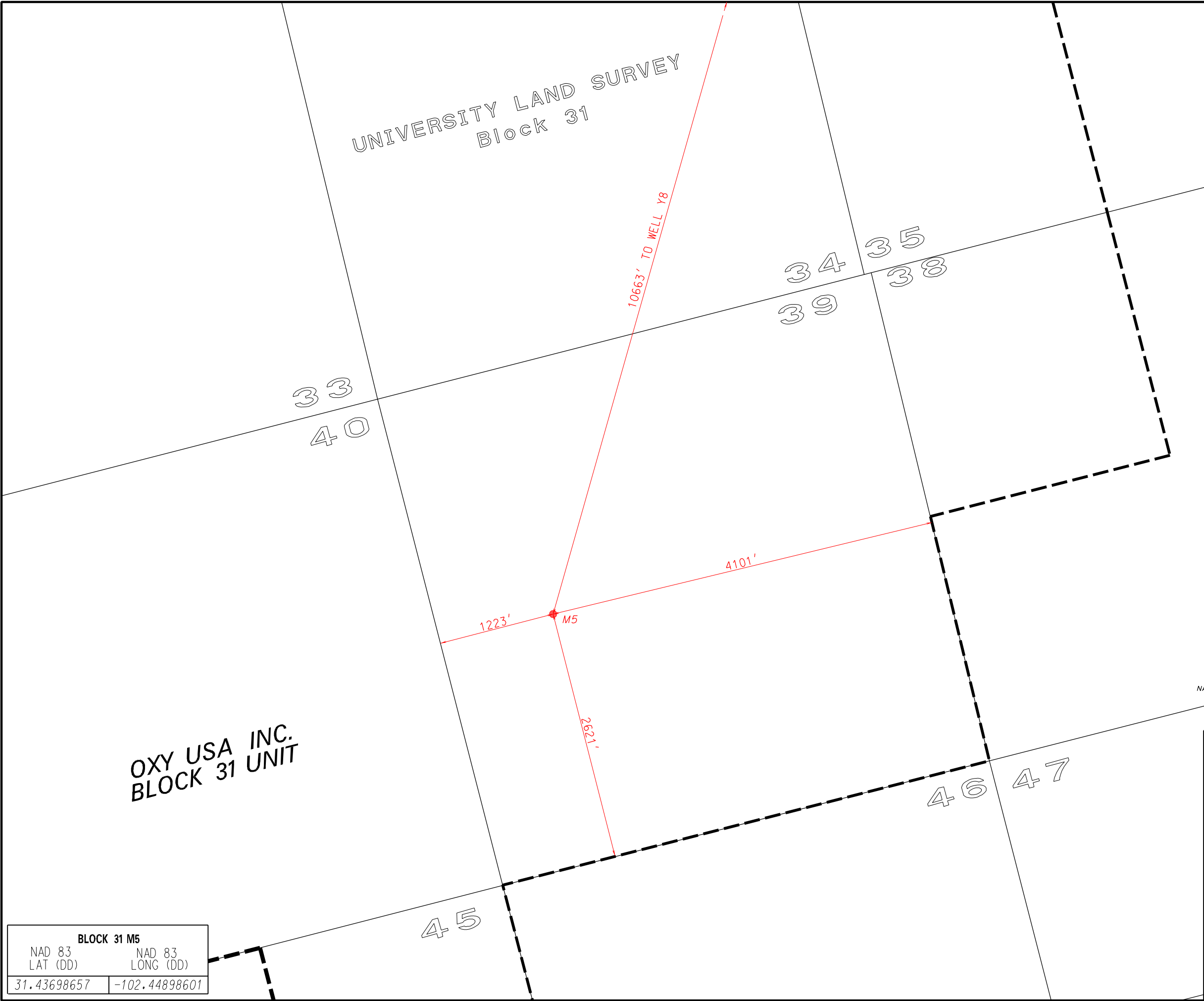
This well must comply to the new SWR 3.13 requirements concerning the isolation of any potential flow zones and zones with corrosive formation fluids. See approved permit for those formations that have been identified for the county in which you are drilling the well in.

**Railroad Commission of Texas**  
**Oil and Gas Division**  
**SWR #13 Formation Data**  
**CRANE ( 103 ) COUNTY**

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
RUSTLER	1000	1000		1	01/01/2014
YATES	1200	3000		2	01/01/2014
GRAYBURG	2100	3100	Active CO2 flood	3	01/01/2014
SAN ANDRES	1850	3500	Usable Quality Water/Active CO2 flood	4	01/01/2014
SAN ANGELO	3600	3700		5	01/01/2014
SEVEN RIVERS	1300	3970		6	01/01/2014
GLORIETA	2700	4200		7	01/01/2014
PERMIAN GENERAL	3900	4200		8	01/01/2014
QUEEN	2100	4370		9	01/01/2014
CLEARFORK	2900	4400		10	01/01/2014
MONTOYA	5300	5300		11	01/01/2014
TUBB	3350	5400		12	01/01/2014
WICHITA ALBANY	5400	6000		13	01/01/2014
FUSSELMAN	6400	7400		14	01/01/2014
WOLFCAMP	5000	7500		15	01/01/2014
WADDELL	6100	7600		16	01/01/2014
BEND	7700	7700		17	01/01/2014
PENNSYLVANIAN	7200	8000		18	01/01/2014
CISCO	7400	8500		19	01/01/2014
STRAWN	8600	8600		20	01/01/2014
DEVONIAN	4900	9700	Active CO2 flood	21	01/01/2014
ELLENBURGER	5400	11700		22	01/01/2014

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°26'13.15";Long.= -102°26'56.35"  
Ground Elevation: 2532'  
Approx. 6.5 miles Northwest of Crane, TX




BLOCK 31, (PENN 7620) FIELD  
UNIT ACREAGE = 7840± 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: 2/26/2019

GRID  
NAD27 TCZ  
USFT

BLOCK 31 M5	
NAD 83 LAT (DD)	NAD 83 LONG (DD)
31.43698657	-102.44898601

**OXY USA INC.**

Partial Unit Plat

**BLOCK 31 UNIT**

Well No. M5

Crane County, Texas

Scale: 1"= 1000' 2/26/2019 466/block\_31.DGN  
Plat prepared by SEM  
Horizon Survey, Inc.