

API No. <u>42-103-37351</u> Drilling Permit # <u>892182</u> SWR Exception Case/Docket No. <u>0341359</u> (R37)		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. 217012		2. Operator's Name (as shown on form P-5, Organization Report) DIAMONDBACK E&P LLC			3. Operator Address (include street, city, state, zip): 500 W TEXAS AVE STE 100 MIDLAND, TX 79701		
4. Lease Name UL ANTHEM MAY 13-12 B		5. Well No. 1H					
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 type="checkbox"/> Vertical <input checked="" type="checkbox"/> Horizontal (Also File Form W-1H) <input type="checkbox"/> Directional (Also File Form W-1D) <input type="checkbox"/> Sidetrack							
8. Total Depth 13000		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			
SURFACE LOCATION AND ACREAGE INFORMATION							
11. RRC District No. 08		12. County CRANE		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>8.2</u> miles in a <u>NE</u> direction from <u>Crane</u> which is the nearest town in the county of the well site.							
15. Section 24		16. Block 30		17. Survey UL		18. Abstract No. A-U24	
				19. Distance to nearest lease line: ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: 1200	
21. Lease Perpendiculars: <u>1094</u> ft from the <u>WEST</u> line and <u>385</u> ft from the <u>NORTH</u> line.							
22. Survey Perpendiculars: <u>1094</u> ft from the <u>WEST</u> line and <u>385</u> ft from the <u>NORTH</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	85280300	SPRABERRY (TREND AREA)		Oil or Gas Well	13000	0.00	
08	69996200	PEART (BARNETT)		Oil or Gas Well	13000	1320.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)							
Remarks See W1 Comments attached				Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge. <div style="text-align: center;"> Fatima Vasquez, Analyst Senior Regulatory </div> <div style="display: flex; justify-content: space-between;"> <div> <u>Name of filer</u> (432)2217418 Phone </div> <div> <u>Date submitted</u> Jul 17, 2023 </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <u>E-mail Address (OPTIONAL)</u> fvasquez@diamondbackenergy.com </div> </div>			
RRC Use Only							
Data Validation Time Stamp: Jul 21, 2023 8:19 AM(Current Version)							

Permit Status: Approved <i>The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.</i>

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

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

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Permit #	892182
Approved Date:	Jul 21, 2023

1. RRC Operator No. 217012	2. Operator's Name (exactly as shown on form P-5, Organization Report) DIAMONDBACK E&P LLC	3. Lease Name UL ANTHEM MAY 13-12 B	4. Well No. 1H
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Lateral Drainhole Location Information

5. Field as shown on Form W-1	SPRABERRY (TREND AREA) (Field # 85280300, RRC District 08)
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6. Section 12	7. Block 30	8. Survey UL	9. Abstract U12	10. County of BHL CRANE
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	11. Terminus Lease Line Perpendiculars 660 ft. from the WEST line. and 50 ft. from the NORTH line			
	12. Terminus Survey Line Perpendiculars 660 ft. from the WEST line. and 50 ft. from the NORTH line			
	13. Penetration Point Lease Line Perpendiculars 660 ft. from the WEST line. and 400 ft. from the NORTH line			

5. Field as shown on Form W-1	PEART (BARNETT) (Field # 69996200, RRC District 08)
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6. Section 12	7. Block 30	8. Survey UL	9. Abstract U12	10. County of BHL CRANE
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W-1 Comments

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[Jul 17, 2023 1:20 PM]: Commission Staff expresses no opinion as to whether a 100% ownership interest in each of the leases alone or in combination with a "production sharing agreement" confers the right to drill across lease/unit lines or whether a pooling agreement is also required. However, until that issue is directly addressed and ruled upon by a Texas court of competent jurisdiction it appears that a 100% interest in each of the leases and a production sharing agreement constitute a sufficient colorable claim to the right to drill a horizontal well as proposed to authorize the removal of the regulatory bar and the issuance of a drilling permit by the Commission, assuming the proposed well is in compliance with all other relevant Commission requirements.

Issuance of the permit is not an endorsement or approval of the applicant's stated method of allocating production proceeds among component leases or units. All production must be reported to the Commission as production from the lease or pooled unit on which the wellhead is located and reported production volume must be determined by actual measurement of hydrocarbon volumes prior to leaving that tract and may not be based on allocation or estimation. Payment of royalties is a contractual matter between the lessor and lessee. Interpreting the leases and determining whether the proposed proceeds allocation comports with the relevant leases is not a matter within Commission jurisdiction but a matter for the parties to the lease and, if necessary, a Texas court of competent jurisdiction.

The foregoing statements are not, and should not be construed as, a final opinion or decision of the Railroad Commission.; [FILER Jul 17, 2023 5:29 PM]: Sec. 24, A-U24; Sec. 13, A-U13; & Sec. 12, A-U12, out of Blk. 30.

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 align="center">892182</div>	DATE PERMIT ISSUED OR AMENDED <div align="center">Jul 21, 2023</div>	DISTRICT <div align="center">* 08</div>	
API NUMBER <div align="center">42-103-37351</div>	FORM W-1 RECEIVED <div align="center">Jul 17, 2023</div>	COUNTY <div align="center">CRANE</div>	
TYPE OF OPERATION <div align="center">NEW DRILL</div>	WELLBORE PROFILE(S) <div align="center">Horizontal</div>	ACRES <div align="center">1200</div>	
OPERATOR <div align="center"> DIAMONDBACK E&P LLC 500 W TEXAS AVE STE 100 MIDLAND, TX 79701 </div>		217012	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 <div align="center">UL ANTHEM MAY 13-12 B</div>		WELL NUMBER <div align="center">1H</div>	
LOCATION <div align="center">8.2 miles NE direction from CRANE</div>		TOTAL DEPTH <div align="center">13000</div>	
Section, Block and/or Survey SECTION ⤵ 24 BLOCK ⤵ 30 ABSTRACT ⤵ U24 SURVEY ⤵ UL			
DISTANCE TO SURVEY LINES <div align="center">1094 ft. WEST 385 ft. NORTH</div>		DISTANCE TO NEAREST LEASE LINE <div align="center">ft.</div>	
DISTANCE TO LEASE LINES <div align="center">1094 ft. WEST 385 ft. NORTH</div>		DISTANCE TO NEAREST WELL ON LEASE <div align="center">See FIELD(s) Below</div>	
FIELD(s) and LIMITATIONS: <div align="center"> * SEE FIELD DISTRICT FOR REPORTING PURPOSES * ** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(B) ** CASE NO. 0341359 </div>			
FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST LEASE	WELL # NEAREST WE
** SPRABERRY (TREND AREA) UL ANTHEM MAY 13-12 B	1200.00	13,000	1H 0

WELLBORE PROFILE(s) FOR FIELD: Horizontal			

RESTRICTIONS: Lateral: TH1 Penetration Point Location Lease Lines: 660.0 F WEST L 400.0 F NORTH L Terminus Location BH County: CRANE Section: 12 Block: 30 Abstract: U12 Survey: UL Lease Lines: 660.0 F WEST L 50.0 F NORTH L Survey Lines: 660.0 F WEST L 50.0 F NORTH L			
** PEART (BARNETT) UL ANTHEM MAY 13-12 B	1200.00	13,000	1H 1320

WELLBORE PROFILE(s) FOR FIELD: Horizontal			

RESTRICTIONS: Lateral: TH1 Penetration Point Location Lease Lines: 660.0 F WEST L			

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 892182	DATE PERMIT ISSUED OR AMENDED Jul 21, 2023	DISTRICT * 08		
API NUMBER 42-103-37351	FORM W-1 RECEIVED Jul 17, 2023	COUNTY CRANE		
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Horizontal	ACRES 1200		
OPERATOR DIAMONDBACK E&P LLC 500 W TEXAS AVE STE 100 MIDLAND, TX 79701		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 UL ANTHEM MAY 13-12 B		WELL NUMBER 1H		
LOCATION 8.2 miles NE direction from CRANE		TOTAL DEPTH 13000		
Section, Block and/or Survey SECTION ◀ 24 BLOCK ◀ 30 ABSTRACT ◀ U24 SURVEY ◀ UL				
DISTANCE TO SURVEY LINES 1094 ft. WEST 385 ft. NORTH		DISTANCE TO NEAREST LEASE LINE ft.		
DISTANCE TO LEASE LINES 1094 ft. WEST 385 ft. NORTH		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below		
FIELD(s) and LIMITATIONS: <div style="text-align: center;"> * SEE FIELD DISTRICT FOR REPORTING PURPOSES * ** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(B) ** CASE NO. 0341359 </div> <table style="width:100%; border: none;"> <tr> <td style="width:60%; vertical-align: top;"> FIELD NAME LEASE NAME 400.0 F NORTH L Terminus Location BH County: CRANE Section: 12 Block: 30 Abstract: U12 Survey: UL Lease Lines: 660.0 F WEST L 50.0 F NORTH L Survey Lines: 660.0 F WEST L 50.0 F NORTH L </td> <td style="width:40%; vertical-align: top;"> ACRES DEPTH WELL # DIST NEAREST LEASE NEAREST WE </td> </tr> </table> <p>' ** ' PRECEDING FIELD NAME INDICATES RULE (R37)</p> <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> <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>			FIELD NAME LEASE NAME 400.0 F NORTH L Terminus Location BH County: CRANE Section: 12 Block: 30 Abstract: U12 Survey: UL Lease Lines: 660.0 F WEST L 50.0 F NORTH L Survey Lines: 660.0 F WEST L 50.0 F NORTH L	ACRES DEPTH WELL # DIST NEAREST LEASE NEAREST WE
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**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION
SWR #13 Formation Data**

CRANE (103) County

Formation	Remarks	Geological Order	Effective Date
RUSTLER		1	02/09/2020
YATES		2	02/09/2020
SEVEN RIVERS		3	02/09/2020
QUEEN		4	02/09/2020
GRAYBURG	active CO2 flood	5	02/09/2020
SAN ANDRES	usable quality water / active CO2 flood	6	02/09/2020
SAN ANGELO		7	02/09/2020
GLORIETA		8	02/09/2020
PERMIAN GENERAL		9	02/09/2020
CLEARFORK		10	02/09/2020
TUBB		11	02/09/2020
WICHITA ALBANY		12	02/09/2020
WOLFCAMP		13	02/09/2020
CISCO		14	02/09/2020
PENNSYLVANIAN		15	02/09/2020
STRAWN		16	02/09/2020
BEND		17	02/09/2020
DEVONIAN	active CO2 flood	18	02/09/2020
FUSSELMAN		19	02/09/2020
MONTOYA		20	02/09/2020
WADDELL		21	02/09/2020
ELLENBURGER		22	02/09/2020
PRECAMBRIAN (UNDIFFERENTIATED)		23	02/09/2020

The above list may not be all inclusive, and may also include formations that do not intersect all wellbores. The listing order of the Formation information reflects the general stratigraphic order and relative geologic age. 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>

