

API No. <u>42-383-38394</u> Drilling Permit # <u>766654</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>338746</b>		2. Operator's Name (as shown on form P-5, Organization Report) <b>GULFTEX ENERGY III, LP</b>		3. Operator Address (include street, city, state, zip): <b>18615 TUSCANY STONE STE 340</b> <b>SAN ANTONIO, TX 78258</b>		
4. Lease Name <b>UNIVERSITY LANDS 11-9</b>		5. Well No. <b>101H</b>				
<b>GENERAL INFORMATION</b>						
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 <b>7400</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>7C</b>		12. County <b>REAGAN</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>2.6</u> miles in a <u>W</u> direction from <u>Big Lake</u> which is the nearest town in the county of the well site.						
15. Section <b>9</b>	16. Block <b>11</b>	17. Survey <b>UL</b>	18. Abstract No. <b>A-U251</b>	19. Distance to nearest lease line: <b>530</b> ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <b>1283</b>	
21. Lease Perpendiculars: <u>530</u> ft from the <u>EAST</u> line and <u>252</u> ft from the <u>SOUTH</u> line.						
22. Survey Perpendiculars: <u>530</u> ft from the <u>EAST</u> line and <u>252</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: 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	
7C	53613750	LIN (WOLFCAMP)	Oil or Gas Well	6580	1545.00	
<b>BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)</b>						
<b>Remarks</b> [RRC STAFF Jul 24, 2013 12:50 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Jul 25, 2013 12:17 PM]: As per Don Rhodes: Attached the corrected W-1 and plat showing 42-383-37571 (#1) as the nearest well. Also, added 'S' to LAND making the lease name consistent. Lease name should be 'University Lands 11-9'. Please adjust lease name.  The #2 well (42-383-37458) was completed in a different reservoir. It was completed in the Sheep Mountain (Consolidated) field.; [RRC STAFF Jul 25, 2013 12:24 PM]: Problems identified with this permit are resolved.; [RRC STAFF Jul 25, 2013 12:24 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Jul 25, 2013 3:16 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Jul 25, 2013 3:43 PM]: Problems identified with this permit are resolved.; [RRC STAFF Jul 25, 2013 3:43 PM]: Revised plat 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> <b>Don Rhodes</b>            Name of filer  <u>(512)4586351</u>            Phone         </div> <div> <b>Jul 17, 2013</b>            Date submitted  <u>drhodesa@swbell.net</u>            E-mail Address (OPTIONAL)         </div> </div>			
<b>RRC Use Only</b> Data Validation Time Stamp:    Jul 25, 2013 4:50 PM( 'As Approved' 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.*

**Form W-1H**      07/2004  
**Supplemental Horizontal Well Information**

*Permit #*      **766654**

*Approved Date:*    **Jul 25, 2013**

1. RRC Operator No. <b>338746</b>	2. Operator's Name (exactly as shown on form P-5, Organization Report) <b>GULFTEX ENERGY III, LP</b>	3. Lease Name <b>UNIVERSITY LANDS 11-9</b>	4. Well No. <b>101H</b>
<b>Lateral/Drainhole Location Information</b>			
5. Field as shown on Form W-1 <b>LIN (WOLFCAMP) (Field # 53613750, RRC District 7C)</b>			
6. Section <b>4</b>	7. Block <b>11</b>	8. Survey <b>UL</b>	9. Abstract <b>U246</b>
10. County of BHL <b>REAGAN</b>			
11. Terminus Lease Line Perpendiculars <b>530</b> ft. from the <b>East</b> line. and <b>1055</b> ft. from the <b>North</b> line			
12. Terminus Survey Line Perpendiculars <b>530</b> ft. from the <b>East</b> line. and <b>1055</b> ft. from the <b>North</b> line			
13. Penetration Point Lease Line Perpendiculars <b>530</b> ft. from the <b>East</b> line. and <b>652</b> ft. from the <b>South</b> line			

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 766654	DATE PERMIT ISSUED OR AMENDED Jul 25, 2013	DISTRICT * 7C			
API NUMBER 42-383-38394	FORM W-1 RECEIVED Jul 17, 2013	COUNTY REAGAN			
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Horizontal	ACRES 1283			
OPERATOR GULFTEX ENERGY III, LP 18615 TUSCANY STONE STE 340 SAN ANTONIO, TX 78258		338746  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: (325) 657-7450			
LEASE NAME UNIVERSITY LANDS 11-9		WELL NUMBER 101H			
LOCATION 2.6 miles W direction from BIG LAKE		TOTAL DEPTH 7400			
Section, Block and/or Survey SECTION ⚡ 9                                      BLOCK ⚡ 11                                      ABSTRACT ⚡ U251 SURVEY ⚡ UL					
DISTANCE TO SURVEY LINES 530 ft. EAST    252 ft. SOUTH		DISTANCE TO NEAREST LEASE LINE 530 ft.			
DISTANCE TO LEASE LINES 530 ft. EAST    252 ft. SOUTH		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below			
FIELD(s) and LIMITATIONS:  * SEE FIELD DISTRICT FOR REPORTING PURPOSES *					
FIELD NAME LEASE NAME		ACRES NEAREST LEASE	DEPTH NEAREST LEASE	WELL # NEAREST WE	DIST
LIN (WOLFCAMP)		1283.00	6,580	101H	7C
UNIVERSITY LANDS 11-9		530		1545	
WELLBORE PROFILE(s) FOR FIELD: Horizontal					
RESTRICTIONS:    Lateral: TH1 Penetration Point Location Lease Lines:                      530.0 F EAST L 652.0 F SOUTH L  Terminus Location BH County: REAGAN Section: 4                                      Block: 11                                      Abstract: U246 Survey: UL Lease Lines:                      530.0 F EAST L 1055.0 F NORTH L Survey Lines:                      530.0 F EAST L 1055.0 F NORTH L					
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.					

GULFTEX ENERGY III, LP

LEASE NAME & WELL NO.:  
**UNIVERSITY LANDS 11-9 #101H**  
TOPOGRAPHY & VEGETATION:  
**SCATTERED MESQUITE PASTURE**  
NEAREST TOWN IN COUNTY:  
**±2.6 MILES WEST OF BIG LAKE, TEXAS**

DESCRIPTION:  
**SHL, PP & FTP: SECTION 9, BLOCK 11, UNIVERISTY LANDS SURVEY**  
**LTP & THL: SECTION 4, BLOCK 11, UNIVERISTY LANDS SURVEY**  
**REAGAN COUNTY, TEXAS**

This location has been very carefully staked on the ground according to the best official survey records, maps, and other data available to us. This plat does not in any way represent a "Boundary Survey", and does not comply with correct T.B.P.L.S. Minimum Standards of Procedures for Boundary Surveys.

CERTIFICATION:



*William J. Keating*  
Texas Reg. No. 5041

I, William J. Keating, a Registered Professional Land Surveyor, and an authorized agent of Topographic Land Surveyors, do hereby certify that the above described well location was surveyed and staked on the ground as shown herein. This plat is for Texas Railroad Commission permitting only.

**TOPOGRAPHIC**  
SURVEYING • MAPPING • GIS • GPS

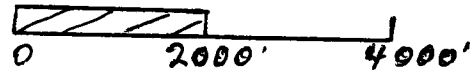
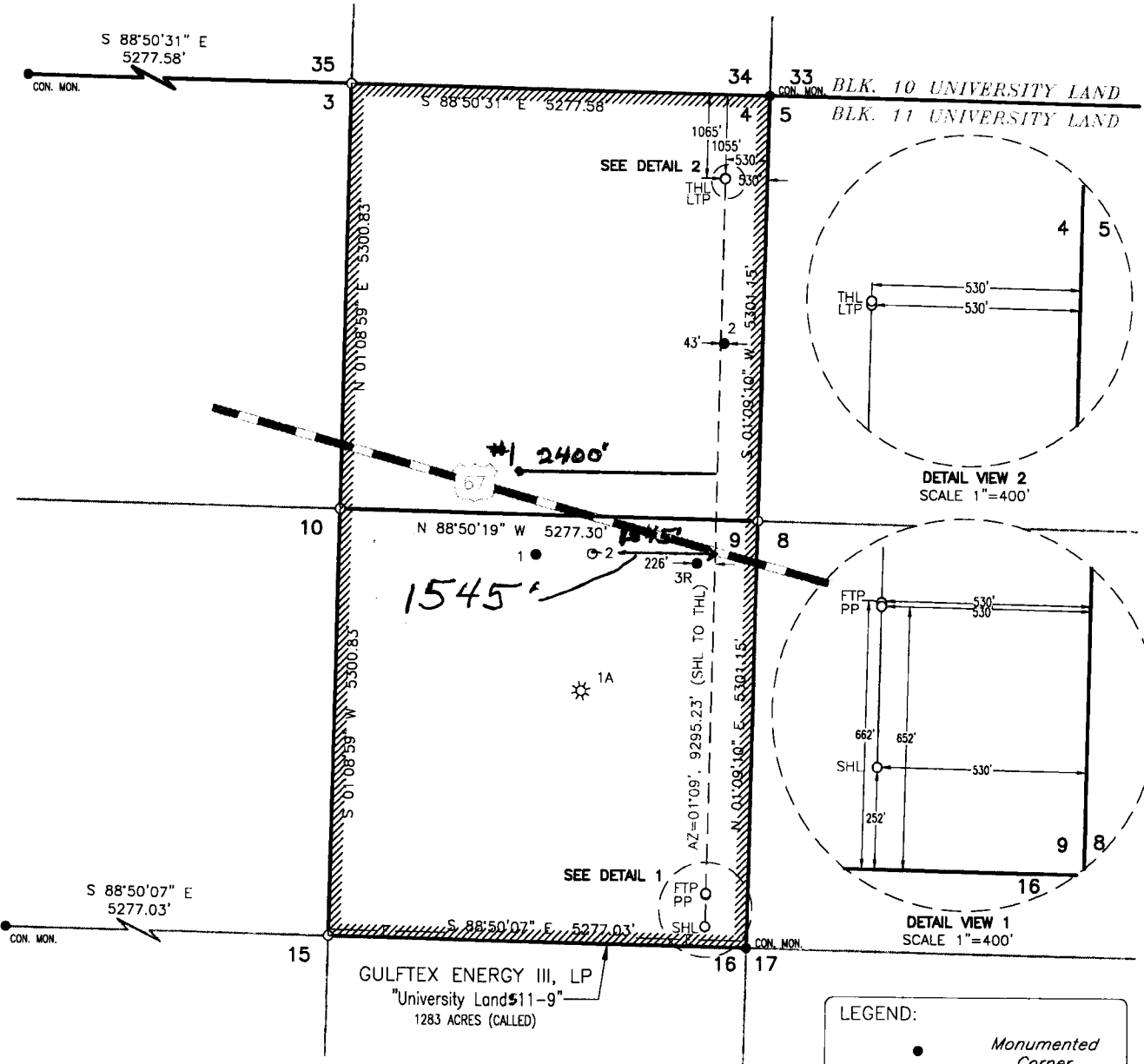
2903 N. BIG SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1653 • (800) 767-1653 • FAX: (432) 682-1743

**Surface Hole Location:**  
252' FSL & 530' FEL (SEC. 9)  
SHL Ground Elevation: 2667'  
X = 1634346 Y = 554356  
LAT.: N 31.1856582 LONG.: W 101.5027150  
NAD 83 TX-C ZONE:  
X = 1930814 Y = 10396933  
LAT.: N 31.1858129 LONG.: W 101.5031100  
**Penetration Point:**  
652' FSL & 530' FEL (SEC. 9)  
X = 1634354 Y = 554756  
LAT.: N 31.1867580 LONG.: W 101.5027027  
**First Take Point:**  
662' FSL & 530' FEL (SEC. 9)  
X = 1634354 Y = 554766  
LAT.: N 31.1867855 LONG.: W 101.5027024  
**Last Take Point:**  
1065' FNL & 530' FEL (SEC. 4)  
X = 1634532 Y = 563640  
LAT.: N 31.2111868 LONG.: W 101.5024300  
**Terminus Hole Location:**  
1055' FNL & 530' FEL (SEC. 4)  
X = 1634532 Y = 563650  
LAT.: N 31.2112143 LONG.: W 101.5024304

ORIGINAL DOC. SIZE: 8.5"x14"

SCALE:	1" = 2000'
DATE:	JULY 11, 2013
COGO:	519-39756
LO_UNIVERSITY11_9_101H_ALT_REV1	
DRAWN BY:	MJN; 7/12/13

REV#	BY	DATE REVISED
1	ACP	7-15-13



LEGEND:

•	Monumented Corner
○	Calculated Corner
—E—	Powerline
—X—	Fence
— — —	Pipeline
—+—+—	Lease Road