

API No. <u>42-383-39203</u> Drilling Permit # <u>797059</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> <small>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.</small>				<b>FORM W-1</b> 07/2004 Permit Status: <b>Approved</b>	
1. RRC Operator No. <b>017996</b>		2. Operator's Name (as shown on form P-5, Organization Report) <b>AMERICAN ENERGY-PERM BASIN, LLC</b>			3. Operator Address (include street, city, state, zip): <b>PO BOX 13710</b> <b>OKLAHOMA CITY, OK 73113-0000</b>		
4. Lease Name <b>UNIVERSITY 09</b>		5. Well No. <b>0804H</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>9000</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>11.2</u> miles in a <u>NW</u> direction from <u>Big Lake</u> which is the nearest town in the county of the well site.							
15. Section <b>8</b>		16. Block <b>9</b>		17. Survey <b>UL</b>		18. Abstract No. <b>A-U178</b>	
				19. Distance to nearest lease line: <b>100</b> ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: <b>4522.29</b>	
21. Lease Perpendiculars: <u>7258.9</u> ft from the <u>W</u> line and <u>7196.3</u> ft from the <u>N</u> line. 22. Survey Perpendiculars: <u>2068</u> ft from the <u>W</u> line and <u>1865</u> ft from the <u>N</u> line.							
23. Is this a pooled unit? <input checked="" type="checkbox"/> Yes <input 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	
7C	53613750	LIN (WOLFCAMP)			Oil or Gas Well	9000	
<b>BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS</b> (see W-1H attachment)							
<u>Remarks</u> See W1 Comments attached					<u>Certificate:</u> 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>Bill Spencer, Consultant</u>            Name of filer  <u>(512)9181062</u>            Phone         </div> <div> <u>Sep 25, 2014</u>            Date submitted  <u>bill@spencerconsulting.org</u>            E-mail Address (OPTIONAL)         </div> </div>		
RRC Use Only    Data Validation Time Stamp:    Oct 8, 2014 2:52 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**

Form W-1H  
Supplemental Horizontal Well Information

07/2004

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

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Permit #	797059
Approved Date:	Oct 07, 2014

1. RRC Operator No. 017996	2. Operator's Name (exactly as shown on form P-5, Organization Report) AMERICAN ENERGY-PERM BASIN, LLC	3. Lease Name UNIVERSITY 09	4. Well No. 0804H
<b>Lateral Drainhole Location Information</b>			
5. Field as shown on Form W-1     LIN (WOLFCAMP) (Field # 53613750, RRC District 7C)			
6. Section 5	7. Block 9	8. Survey UL	9. Abstract
		10. County of BHL REAGAN	
11. Terminus Lease Line Perpendiculars 50 ft. from the N line. and 660 ft. from the E line			
12. Terminus Survey Line Perpendiculars 50 ft. from the N line. and 3299 ft. from the E line			
13. Penetration Point Lease Line Perpendiculars 7096.3 ft. from the N line. and 7258.9 ft. from the W line			

Permit Status: **Approved**

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

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

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**W-1 Comments**

Permit # **797059**

Approved Date: **Oct 07, 2014**

[FILER Sep 25, 2014 10:44 AM]: Parent well to the 8013H; Permit #748472 cancelled and well count adjusted; [RRC STAFF Sep 25, 2014 4:06 PM]: Parent well to 0813H per Bill.; [RRC STAFF Sep 30, 2014 11:42 AM]: Change nearest town distance per plat. Update SHL/BHL survey/abstract info per GIS.; [RRC STAFF Sep 30, 2014 12:20 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Oct 1, 2014 9:00 AM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Oct 2, 2014 2:09 PM]: Attached revised P12 sent in by Chris Spencer.; [RRC STAFF Oct 2, 2014 4:25 PM]: Per Cameron: I have confirmed that the well count is 52 prior to filing any of the permit applications listed below.

Please find the well count for each application.

University 09 0802H (53)

University 09 0806H (53)

University 09 0804H (54)

University 09 0813H (54)

University 09 0812H (55)

University 09 0811H (55); [RRC STAFF Oct 2, 2014 4:25 PM]: Changed well count per email.; [RRC STAFF Oct 2, 2014 4:26 PM]: Problems identified with this permit are resolved.; [RRC STAFF Oct 2, 2014 4:29 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Oct 3, 2014 11:01 AM]: Per Bill Spencer: Please make these corrections if they were changed from the original filing: 0804H (797059) is the parent to 0813H (797064) 0812H (797066) is the parent to 0811H (797067).; [RRC STAFF Oct 3, 2014 11:02 AM]: Problems identified with this permit are resolved.; [RRC STAFF Oct 3, 2014 12:47 PM]: All of these (6) P12s have district 3 instead of the required 7C on the permit. Please resubmit all (can be in same email) in .TIF.; [RRC STAFF Oct 3, 2014 1:00 PM]: Attached Revised P12.

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

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

<b>PERMIT NUMBER</b> <div style="text-align: right;"><b>797059</b></div>	<b>DATE PERMIT ISSUED OR AMENDED</b> <div style="text-align: center;"><b>Oct 07, 2014</b></div>	<b>DISTRICT</b> <div style="text-align: center;"><b>* 7C</b></div>																																								
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<b>RESTRICTIONS:</b> <div style="margin-left: 20px;"> Lateral: TH1  Penetration Point Location  Lease Lines:           7096.3 F N L                                7258.9 F W L   Terminus Location  BH County: REAGAN  Section: 5                   Block: 9                   Abstract:  Survey: UL  Lease Lines:           50.0 F N L                                660.0 F E L  Survey Lines:       50.0 F N L                                3299.0 F E L </div>																																										
<b>THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS</b>																																										
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.																																										

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

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

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API NUMBER <b>42-383-39203</b>	FORM W-1 RECEIVED <b>Sep 25, 2014</b>	COUNTY <b>REAGAN</b>										
TYPE OF OPERATION <b>NEW DRILL</b>	WELLBORE PROFILE(S) <b>Horizontal</b>	ACRES <b>4522.29</b>										
OPERATOR  <b>AMERICAN ENERGY-PERM BASIN, LLC</b>  <b>PO BOX 13710</b> <b>OKLAHOMA CITY, OK 73113-0000</b>		017996  <b>NOTICE</b> 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>(325) 657-7450</b>										
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FIELD NAME	ACRES	DEPTH	WELL #	DIST								
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RAILROAD COMMISSION OF TEXAS  
OIL & GAS DIVISION  
SWR #13 Formation Data

REAGAN (383) County

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
GRAYBURG	1,500	2,500		1	12/17/2013
QUEEN	1,900	2,500		2	12/17/2013
SAN ANDRES	2,000	5,000	saltwater flow, possibly heavy	3	12/17/2013
CLEARFORK	3,300	4,000		4	12/17/2013
SPRABERRY	3,300	10,000		5	12/17/2013
STRAWN	9,300	10,200		6	12/17/2013
FUSSELMAN	8,800	11,000		7	12/17/2013
ELLENBURGER	8,700	10,500		8	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.state.tx.us/oil-gas/compliance-enforcement/rule-13-geologic-formation-info>

Groundwater  
Advisory Unit

GROUNDWATER PROTECTION DETERMINATION

Form GW-2

Date **October 2, 2014**

GAU File No.: **12079**

\*\*\*\*\* EXPEDITED APPLICATION \*\*\*\*\*

API Number **38300000**

Attention: **CAMERON HUGHES**

RRC Lease No. **000000**

SC\_017996\_38300000\_000000\_12079.pdf

AMERICAN ENERGY PERM BASIN LLC  
P O BOX 13710  
OKLAHOMA CITY TX 73113

--Measured--

2103 ft FWL

1864 ft FNL

MRL:SECTION

P-5# 017996

Digital Map Location:

X-coord/Long **1606035**

Y-coord/Lat **590061**

Datum **27** Zone **N**

County **REAGAN**

Lease & Well No. **UNIVERSITY 09 #0802H&PAD**

Purpose **ND**

Location **SUR-UL,BLK-9,SEC-8,--[TD=9000],[RRC 7C],**

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

The interval from the land surface to a depth of 525 feet must be protected.

This recommendation is applicable to all wells drilled on this pad.

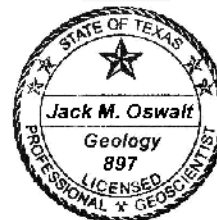
Note: Unless stated otherwise, this recommendation is intended to apply only to the subject well and not for area-wide use. This recommendation is intended for normal drilling, production, and plugging operations only. It does not apply to saltwater disposal operation into a nonproductive zone (RRC Form 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,

**Jack M. Oswalt, P.G.**

GEOLOGIST SEAL



Geologist, Groundwater Advisory Unit  
Oil & Gas Division

The seal appearing on this document was authorized by Jack M. Oswalt on 10/2/2014  
Note: Alteration of this electronic document will invalidate the digital signature.

