

API No. <u>42-383-39266</u> Drilling Permit # <u>799414</u> SWR Exception Case/Docket No. <u>7C-0293860</u> (R38)		RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER <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>				FORM W-1 07/2004 Permit Status: Approved	
1. RRC Operator No. 665748		2. Operator's Name (as shown on form P-5, Organization Report) PIONEER NATURAL RES. USA, INC.		3. Operator Address (include street, city, state, zip): ATTN CINDY WHIDDON P O BOX 3178 MIDLAND, TX 79702-0000			
4. Lease Name UNIVERSITY 2-20			5. Well No. 64H				
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 10650		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. 7C		12. County REAGAN		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>18.5</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 29	16. Block 2	17. Survey UL		18. Abstract No. A-U65	19. Distance to nearest lease line: 186 ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: 2467.3	
21. Lease Perpendiculars: <u>10631</u> ft from the <u>NORTH</u> line and <u>2149</u> ft from the <u>EAST</u> line. 22. Survey Perpendiculars: <u>2652</u> ft from the <u>SOUTH</u> line and <u>2149</u> ft from the <u>EAST</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	
7C	85279200	SPRABERRY (TREND AREA)		Oil or Gas Well	10650	424.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)							
<u>Remarks</u> [FILER Oct 30, 2014 3:53 PM]: minimal h2s monitoring requirements during drilling operations.; [RRC STAFF Oct 31, 2014 3:05 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Nov 3, 2014 8:23 AM]: Problems identified with this permit are resolved.				<u>Certificate:</u> I certify that information stated in this application is true and complete, to the best of my knowledge. DAVID VINCENTI, Lead Regulatory Specialist <div style="display: flex; justify-content: space-between;"> <div> Name of filer <u>(972)9693935</u> Phone </div> <div> Date submitted <u>Oct 31, 2014</u> E-mail Address (OPTIONAL) <u>david.vincenti@pxd.com</u> </div> </div>			
RRC Use Only Data Validation Time Stamp: Dec 3, 2014 3:36 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 07/2004
 Supplemental Horizontal Well Information

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.

Permit #	799414
Approved Date:	Dec 02, 2014

1. RRC Operator No. 665748	2. Operator's Name (exactly as shown on form P-5, Organization Report) PIONEER NATURAL RES. USA, INC.	3. Lease Name UNIVERSITY 2-20	4. Well No. 64H
Lateral Drainhole Location Information			
5. Field as shown on Form W-1 SPRABERRY (TREND AREA) (Field # 85279200, RRC District 7C)			
6. Section 17	7. Block 2	8. Survey Universty Lands - A-U53	9. Abstract 53
10. County of BHL REAGAN			
11. Terminus Lease Line Perpendiculars 186 ft. from the south line. and 1055 ft. from the east line			
12. Terminus Survey Line Perpendiculars 2478 ft. from the north line. and 2402 ft. from the east line			
13. Penetration Point Lease Line Perpendiculars 10631 ft. from the north line. and 2149 ft. from the east 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 799414	DATE PERMIT ISSUED OR AMENDED Dec 02, 2014	DISTRICT * 7C	
API NUMBER 42-383-39266	FORM W-1 RECEIVED Oct 31, 2014	COUNTY REAGAN	
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Horizontal	ACRES 2467.3	
OPERATOR PIONEER NATURAL RES. USA, INC. ATTN CINDY WHIDDON P O BOX 3178 MIDLAND, TX 79702-0000		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 2-20		WELL NUMBER 64H	
LOCATION 18.5 miles NW direction from BIG LAKE		TOTAL DEPTH 10650	
Section, Block and/or Survey SECTION ◀ 29 BLOCK ◀ 2 ABSTRACT ◀ U65 SURVEY ◀ UL			
DISTANCE TO SURVEY LINES 2652 ft. SOUTH 2149 ft. EAST		DISTANCE TO NEAREST LEASE LINE 186 ft.	
DISTANCE TO LEASE LINES 10631 ft. NORTH 2149 ft. EAST		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below	
FIELD(s) and LIMITATIONS: <p style="text-align: center;">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</p> <p style="text-align: center;">** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 38(h)(3) **</p> <p style="text-align: center;">CASE NO. 7C-0293860</p>			
FIELD NAME LEASE NAME -----		ACRES NEAREST LEASE -----	DEPTH -----
** SPRABERRY (TREND AREA) UNIVERSITY 2-20 -----		2467.30 186	10,650 424
----- WELLBORE PROFILE(s) FOR FIELD: Horizontal -----			
RESTRICTIONS: Lateral: TH1 Penetration Point Location Lease Lines: 10631.0 F NORTH L 2149.0 F EAST L Terminus Location BH County: REAGAN Section: 17 Block: 2 Abstract: 53 Survey: UNIVERSITY LANDS - A-U53 Lease Lines: 186.0 F SOUTH L 1055.0 F EAST L Survey Lines: 2478.0 F NORTH L 2402.0 F EAST L			
' ** ' PRECEDING FIELD NAME INDICATES RULE (R38)			
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.			

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

Page 4 of 5

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 **November 5, 2014**

GAU File No.: **12121**

API Number **38339268**

Attention: **DAVID VINCENTI**

RRC Lease No. **000000**

SC_665748_38339268_000000_12121.pdf

**PIONEER NATURAL RESOURCES USA
5205 N OCONNOR BLVD
STE 200
IRVING TX 75039**

P-5# 665748

--Measured--

2149 ft FEL

2622 ft FSL

MRL:SECTION

Digital Map Location:

X-coord/Long **1559052**

Y-coord/Lat **590174**

Datum **27** Zone **C**

County **REAGAN**

Lease & Well No. **UNIVERSITY 2-20 #63H&PAD**

Purpose **ND**

Location **SUR-UL,BLK-2,SEC-29,--[TD=10650],[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 475 feet must be protected.

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

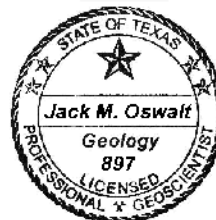
Note: Unless stated otherwise, this recommendation is intended to apply only to the subject well and not for area-wide use. This recommendation is intended for normal drilling, production, and plugging operations only. It does not apply to saltwater disposal operation into a nonproductive zone (RRC Form W-14).

If you have any questions, please contact us at 512-463-2741, gau@rrc.state.tx.us, 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 11/5/2014
Note: Alteration of this electronic document will invalidate the digital signature.

