

API No. <u>42-383-41037</u> Drilling Permit # <u>871755</u> SWR Exception Case/Docket No. <u>0331024 (R37)</u>	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. <u>665748</u>	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): AMBER MCFADDEN PO BOX 3178 MIDLAND, TX 79702-0000				
4. Lease Name UNIVERSITY 10-17E		5. Well No. 5H				
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 <u>9272</u>	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. <u>7C</u>	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>5.5</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 <u>17</u>	16. Block <u>10</u>	17. Survey <u>UL</u>				
18. Abstract No. <u>A-U223</u>		19. Distance to nearest lease line: _____ ft.				
20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>1289</u>						
21. Lease Perpendiculars: <u>636</u> ft from the <u>S</u> line and <u>1811</u> ft from the <u>E</u> line.						
22. Survey Perpendiculars: <u>2028</u> ft from the <u>N</u> line and <u>1811</u> ft from the <u>E</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	32. Number of Wells on this lease in this Reservoir
<u>7C</u>	<u>85279200</u>	<u>SPRABERRY (TREND AREA)</u>	<u>Oil or Gas Well</u>	<u>9272</u>	<u>900.00</u>	<u>5</u>
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. <u>April Maxey, Regulatory Specialist II</u> <u>Aug 05, 2021</u> Name of filer Date submitted <u>(972)969-1741</u> <u>April.maxey@pxd.com</u> Phone E-mail Address (OPTIONAL)		
RRC Use Only				Data Validation Time Stamp: <u>Aug 9, 2021 7:37 AM(Current Version)</u>		

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

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

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

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Permit # **871755**
Approved Date: **Aug 06, 2021**

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 10-17E	4. Well No. 5H
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Lateral Drainhole Location Information

5. Field as shown on Form W-1 **SPRABERRY (TREND AREA) (Field # 85279200, RRC District 7C)**

6. Section 5	7. Block 10	8. Survey UL / A-U211	9. Abstract	10. County of BHL REAGAN
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11. Terminus Lease Line Perpendiculars 1113 ft. from the W line. and 3223 ft. from the N line
12. Terminus Survey Line Perpendiculars 1505 ft. from the E line. and 2106 ft. from the S line
13. Penetration Point Lease Line Perpendiculars 1514 ft. from the E line. and 100 ft. from the S 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 # **871755**

Approved Date: **Aug 06, 2021**

[Aug 5, 2021 2:04 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.; [RRC STAFF Aug 6, 2021 8:59 AM]: Per April Maxey, "I have submitted a P-4 to change the name of the 17944 lease. The lease name has now been changed on the proration side to remove the "."

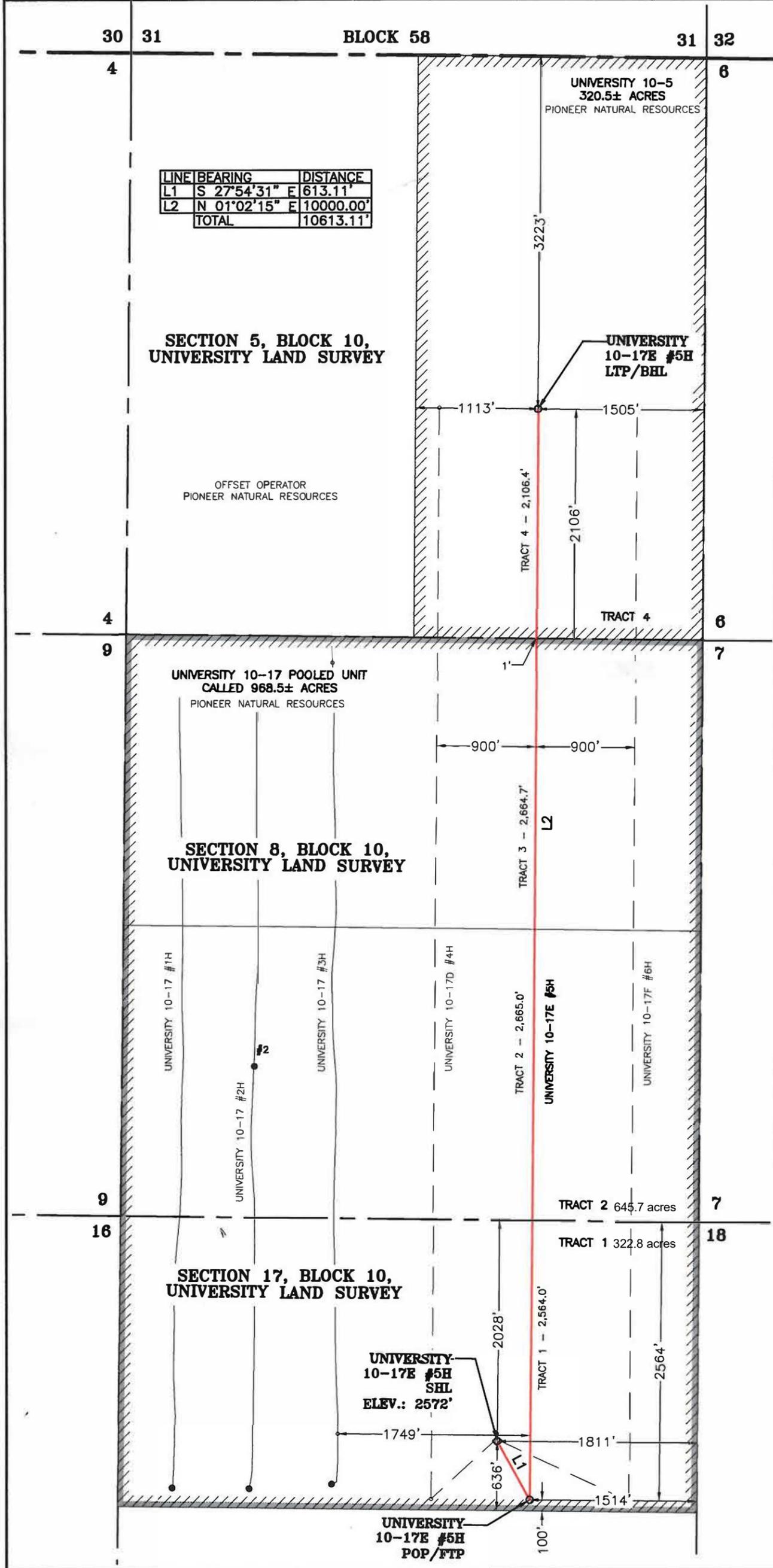
**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION
SWR #13 Formation Data**

REAGAN (383) County

Formation	Remarks	Geological Order	Effective Date
GRAYBURG		1	12/17/2013
QUEEN		2	12/17/2013
SAN ANDRES	saltwater flow, possibly heavy	3	12/17/2013
CLEARFORK		4	12/17/2013
SPRABERRY		5	12/17/2013
STRAWN		6	12/17/2013
FUSSELMAN		7	12/17/2013
ELLENBURGER		8	12/17/2013

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>

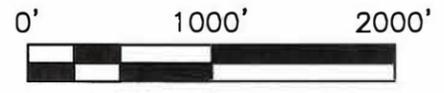
UNIVERSITY 10-17E #5H	EASTING (X) (NAD 27)	NORTHING (Y) (NAD 27)	LATITUDE (NAD 27)	LONGITUDE (NAD 27)	SECTION LINE		SECTION LINE		LEASE LINE		LEASE LINE		SECTION
					FOOTAGE	FNL/FSL	FOOTAGE	FEL\FWL	FOOTAGE	FNL/FSL	FOOTAGE	FEL\FWL	
SURFACE HOLE LOCATION (SHL)	1638931.5	583905.0	31.267029	-101.489032	2028'	FNL	1811'	FEL	636'	FSL	1811'	FEL	17
POINT OF PENETRATION/FIRST TAKE POINT (POP/FTP)	1639218.5	583363.2	31.265547	-101.488096	2564'	FNL	1514'	FEL	100'	FSL	1514'	FEL	17
LAST TAKE POINT/BOTTOM HOLE LOCATION (LTP/BHL)	1639399.6	593361.6	31.293041	-101.487848	2106'	FSL	1505'	FEL	3223'	FNL	1113'	FWL	5



Hunter Wade Wills
08-05-2021

I, April Maxey, certify the information added to this plat is true and correct to the best of my knowledge.

8.5.2021 *April Maxey*



SCALE: 1" = 1000'

NOTE: WELL IS LOCATED APPROXIMATELY 5.5 MILES NORTHWEST OF BIG LAKE, REAGAN COUNTY, TEXAS



3300 NORTH A STREET, BUILDING 2, SUITE 120
MIDLAND, TX 79705-5471
TEL (432) 253-3255
TBPELS SURVEYING FIRM #10193998

DATE: 8/2/2021
BY: K. NYRKKANEN
AVO: 39678.676

LEGEND	
	SECTION LINE
	BLOCK/TOWNSHIP LINE
	LEASE LINE
	POOLED UNIT
	SUBJECT LATERAL
	AS-DRILLED LATERAL
	PERMITTED LATERAL
	PROPOSED LATERAL
	PROPOSED WELL
	EXISTING WELL

- NOTES:**
- THE BASIS OF BEARING OF THE SURVEY IS THE TEXAS COORDINATE SYSTEM, NORTH AMERICAN DATUM 1927 (NAD 27), CENTRAL ZONE (4203).
 - ALL TEXAS STATE PLANE COORDINATES AND GEOGRAPHIC COORDINATES SHOWN HEREON ARE NAD 27 GRID COORDINATES AS COMPUTED BY CORPSCON VERSION 6.0.1. ALL GEOGRAPHIC COORDINATES SHOWN HEREON WERE CONVERTED USING CORPSCON VERSION 6.0.1. UNLESS OTHERWISE NOTED, ALL DISTANCES SHOWN HEREON ARE GRID DISTANCES AND THEY CAN BE CONVERTED TO SURFACE WHEN MULTIPLIED WITH A "SURFACE ADJUSTMENT FACTOR" OF 1.000207698, AS CALCULATED BY CORPSCON.
 - ALL MEASUREMENTS TO LEASE, UNIT, AND SURVEY LINES ARE PERPENDICULAR TO SAID LINES.
 - THIS SURVEY WAS PREPARED WITHOUT THE BENEFIT OF A TITLE REPORT.
 - THIS PLAT WAS PREPARED FOR PLANNING PURPOSES ONLY, AND DOES NOT REPRESENT AN OFFICIAL BOUNDARY SURVEY.
 - THIS PLAT IS ACCOMPANIED BY AN EXCEL SPREADSHEET.

PIONEER NATURAL RESOURCES USA, INC.

PERMIT PLAT

UNIVERSITY 10-17E #5H

UNIVERSITY 10-5 - 320.5± ACRES
UNIVERSITY 10-17 PU - 968.5± ACRES
TOTAL TRACT: 1,289.0± ACRES
(SURFACE AREA)

LOCATED IN:
SECTION 5, SECTION 8 & SECTION 17,
BLOCK 10, UNIVERSITY LAND SURVEY,
REAGAN COUNTY, TEXAS