

API No. <u>42-461-40161</u> Drilling Permit # <u>808681</u> SWR Exception Case/Docket No. _____		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 Permit Status: Approved	
1. RRC Operator No. <div style="text-align: center;">625171</div>		2. Operator's Name (as shown on form P-5, Organization Report) <div style="text-align: center;">OPUS OPERATING II LLC</div>			3. Operator Address (include street, city, state, zip) <div style="text-align: center;">PO BOX 11403 MIDLAND, TX 79702-0000</div>		
4. Lease Name <div style="text-align: center;">UNIVERSITY TAYLOR DRAW 30</div>		5. Well No. <div style="text-align: center;">1</div>					
GENERAL INFORMATION							
6. Purpose of filing (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input checked="" type="checkbox"/> New Drill <input type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input type="checkbox"/> Re-Enter </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL)(Also File Form W-1D) </div>							
7. Wellbore Profile (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input checked="" type="checkbox"/> Vertical <input type="checkbox"/> Horizontal (Also File Form W-1H) <input type="checkbox"/> Directional (Also File Form W-1D) <input type="checkbox"/> Sidetrack </div>							
8. Total Depth <div style="text-align: center;">10500</div>		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. <div style="text-align: center;">7C</div>		12. County <div style="text-align: center;">UPTON</div>		13. Surface Location <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input checked="" type="checkbox"/> Land <input type="checkbox"/> Bay/Estuary <input type="checkbox"/> Inland Waterway <input type="checkbox"/> Offshore </div>			
14. This well is to be located <u>19.5</u> miles in a <u>SW</u> direction from <u>BIG LAKE</u> which is the nearest town in the county of the well site.							
15. Section <div style="text-align: center;">30</div>	16. Block <div style="text-align: center;">4</div>	17. Survey <div style="text-align: center;">UL</div>	18. Abstract No. <div style="text-align: center;">U66</div>	19. Distance to nearest lease line: <div style="text-align: center;">660.0 ft.</div>	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <div style="text-align: center;">492.1</div>		
21. Lease Perpendiculars: <u>1320.0</u> ft. from the <u>NORTH</u> line and <u>660.0</u> ft. from the <u>WEST</u> line. 22. Survey Perpendiculars: <u>1320.0</u> ft. from the <u>NORTH</u> line and <u>660.0</u> ft. from the <u>WEST</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	
7C	82857300	SHEEP MOUNTAIN (CONSOLIDATED)	Oil Well	10500	0.0	1	
7C	00016001	WILDCAT	Oil or Gas Well	10500	0.0	1	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
Remarks [RRC STAFF 07/28/2015 10:24:20 AM]: Per Bob Klunder: "The following is submitted to correct / supplement the original filing: ? Revised plat (attached) ? Lease and Survey Line Perpendicular Distances: 1320? FNL and 660? FWL ? Number of contiguous acres in lease: 492.1 ? GPS Coordinates: NAD 83; lat 31.154500; long -101.789236";				Certificate: 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> RRC User _____ Name of filer </div> <div> 07/22/2015 _____ Date Submitted </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> _____ Phone </div> <div> _____ Email Address(OPTIONAL) </div> </div>			
RRC Use Only Date Validation Time Stamp: Tue, 18 Aug 2015 12:04:29							

**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 style="text-align: right;">808681</div>	DATE PERMIT ISSUED OR AMENDED <div style="text-align: center;">Jul 31, 2015</div>	DISTRICT <div style="text-align: center;">* 7C</div>		
API NUMBER <div style="text-align: right;">42-461-40161</div>	FORM W-1 RECEIVED <div style="text-align: center;">Jul 22, 2015</div>	COUNTY <div style="text-align: center;">UPTON</div>		
TYPE OF OPERATION <div style="text-align: center;">NEW DRILL</div>	WELLBORE PROFILE(S) <div style="text-align: center;">Vertical</div>	ACRES <div style="text-align: center;">492.1</div>		
OPERATOR <div style="text-align: right;">625171</div> <div style="text-align: center;"> OPUS OPERATING II LLC PO BOX 11403 MIDLAND, TX 79702-0000 </div>		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: <div style="text-align: center;">(325) 657-7450</div>		
LEASE NAME <div style="text-align: center;">UNIVERSITY TAYLOR DRAW 30</div>		WELL NUMBER <div style="text-align: center;">1</div>		
LOCATION <div style="text-align: center;">19.5 miles SW direction from BIG LAKE</div>		TOTAL DEPTH <div style="text-align: center;">10500</div>		
Section, Block and/or Survey <div style="display: flex; justify-content: space-between;"> <div>SECTION ◀ 30</div> <div>BLOCK ◀ 4</div> <div>ABSTRACT ◀ U66</div> </div> <div style="display: flex; justify-content: space-between;"> <div>SURVEY ◀ UL</div> </div>				
DISTANCE TO SURVEY LINES <div style="text-align: center;">1320 ft. NORTH 660 ft. WEST</div>		DISTANCE TO NEAREST LEASE LINE <div style="text-align: center;">660 ft.</div>		
DISTANCE TO LEASE LINES <div style="text-align: center;">1320 ft. NORTH 660 ft. WEST</div>		DISTANCE TO NEAREST WELL ON LEASE <div style="text-align: center;">See FIELD(s) Below</div>		
FIELD(s) and LIMITATIONS: <div style="text-align: center;">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</div>				
FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH 	WELL # NEAREST WE	DIST
<hr/> SHEEP MOUNTAIN (CONSOLIDATED) UNIVERSITY TAYLOR DRAW 30	492.10 660	10,500	1 0	7C
<hr/> WILDCAT UNIVERSITY TAYLOR DRAW 30	492.10 660	10,500	1 0	7C
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. 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.				

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

UPTON (461) County

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
YATES	1,100	1,200		1	12/17/2013
GRAYBURG	1,600	3,000		2	12/17/2013
SAN ANDRES	2,500	3,500	saltwater flow	3	12/17/2013
SPRABERRY	4,500	7,000		4	12/17/2013
WOLFCAMP	7,500	9,900		5	12/17/2013
STRAWN	7,900	9,800		6	12/17/2013
DEVONIAN	6,300	12,000		7	12/17/2013
FUSSELMAN	11,000	12,100		8	12/17/2013
ELLENBURGER	7,900	12,400		9	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 PROTECTION DETERMINATION

Form GW-2

Groundwater Advisory Unit

Date: 24 July 2015

GAU Number:

12160

Attention: OPUS OPERATING II LLC

PO BOX 11403

MIDLAND, TX 79702

P-5#: 625171

API Number:

County:

UPTON

Lease Name:

UNIVERSITY TAYLOR DRAW 30

RRC Lease Number:

Well Number:

1

Total Vertical Depth:

10500

Latitude:

31.154500

Longitude:

-101.789236

Datum:

NAD27

Purpose: New Drill

Location: Survey-UL; Abstract-U66; Block-4; Section-30

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 700 feet must be protected.

This determination is based on information provided when the application was submitted on 07/22/2015. If the location information has changed, you must contact the Groundwater Advisory Unit, and submit a new application if necessary. If you have questions, please contact us at 512-463-2741 or gau@rrc.texas.gov.

Groundwater Advisory Unit, Oil and Gas Division

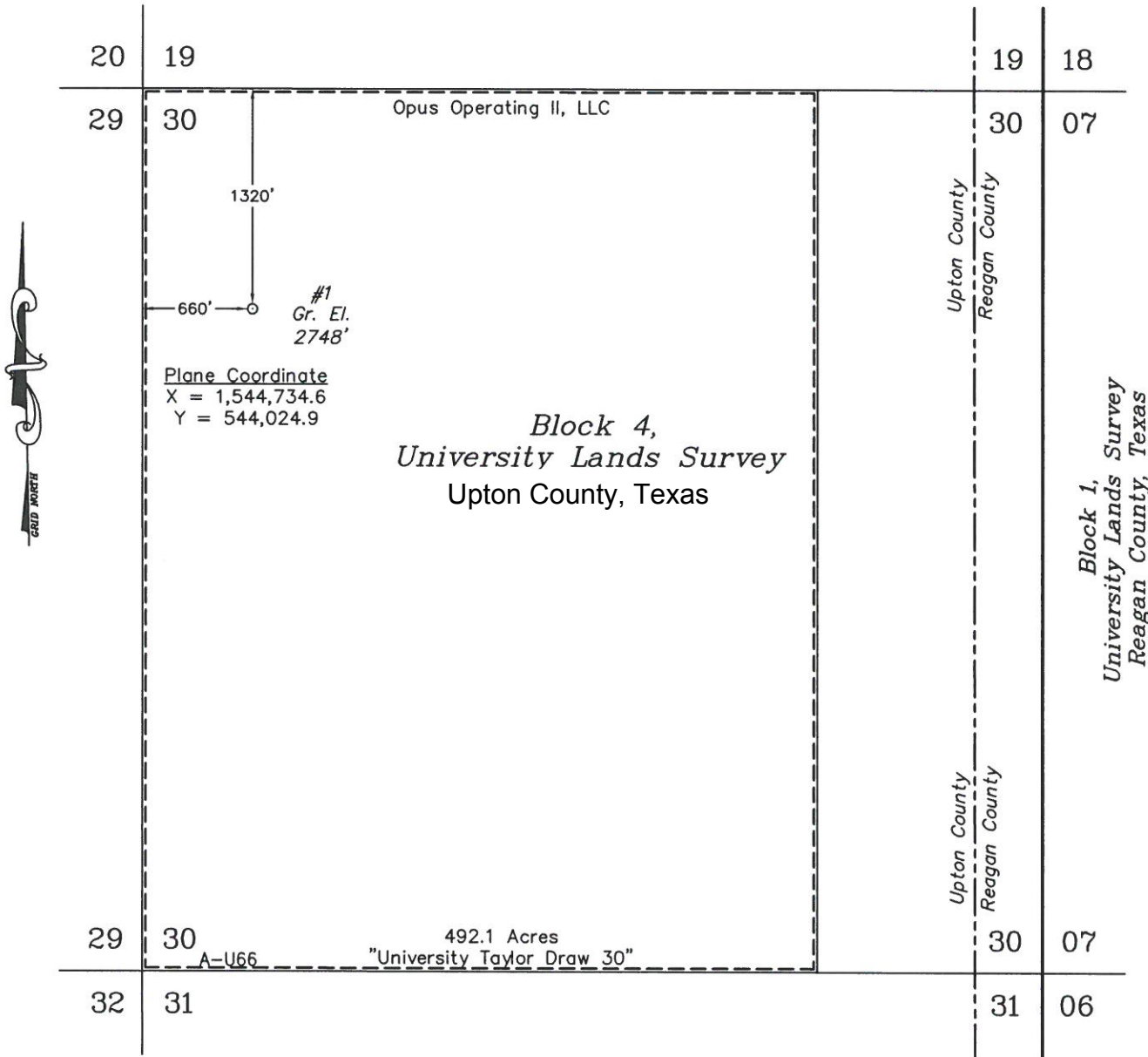
Form GW-2

P.O. Box 12967 Austin, Texas 78771-2967

512-463- 2741

Rev. 02/2014

Internet address: www.rrc.texas.gov



Date Surveyed: July 9, 2015
Weather: Hot and Breezy

- LEGEND**
- - Denotes Proposed Well Location
 - - Denotes Lease Line
 - - Denotes County Line (Approx.)

The University Taylor Draw 30-1 is located approximately 19.5 miles Southwest of Big Lake, Texas.

NOTE:

- 1) Plane Coordinates and Bearings shown hereon are Lambert Grid and Conform to the "Texas Coordinate System", Texas Central Zone, North American Datum of 1927. Distances shown hereon are mean horizontal surface values.
- 2) Geodetic Coordinate shown hereon references the North American Datum of 1983, (Clarke Spheroid of 1866). Reference Stations - "LUBBOCK RRP2" - CORS (DF5391), "JAYTON" - CORS (AF9637) and "SAN ANGELO RRP" - CORS (DF7477).
- 3) This plat is provided for Railroad Commission filing purposes only and should not be constructed as a boundary survey

Geodetic Coordinate
Latitude = 31°09'16.20" N
Longitude = 101°47'21.25" W



I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION:

J. FRANK NEWMAN
LINDSAY GYGAX

TEXAS R.P.L.S. No. 5011
TEXAS R.P.L.S. No. 6434

SURVEYORS - ENGINEERS - PLANNERS
FIRM REGISTRATION NUMBER: 100682-00
110 W. LOUISIANA AVE., SUITE 110
MIDLAND, TEXAS 79701
(432) 687-0865 - FAX (432) 687-0868



OPUS OPERATING II, LLC

**Location of the
UNIVERSITY TAYLOR DRAW 30-1**
1320' FNL & 660' FWL
Section 30, Block 4,
University Lands Survey
Upton County, Texas

Drawn By: LRG	Date: July 20, 2015
Scale: 1" = 1000'	Field Book: 619/39-44
Revision Date: 7/23/15	Quadrangle:
W.O. No: 2015-0502	Dwg. No.: 2015-0502-A