

API No. <u>42-461-40189</u> Drilling Permit # <u>809728</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 07/2004 Permit Status: Approved	
1. RRC Operator No. 682074		2. Operator's Name (as shown on form P-5, Organization Report) PT PETROLEUM, LLC		3. Operator Address (include street, city, state, zip): 2701 DALLAS PARKWAY STE 580 PLANO, TX 75093-0000			
4. Lease Name UNIVERSITY RED		5. Well No. 4251H					
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 10600		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 UPTON		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>9.5</u> miles in a <u>SE</u> direction from <u>Rankin</u> which is the nearest town in the county of the well site.							
15. Section 25		16. Block 4		17. Survey UNIVERSITY LANDS		18. Abstract No. A-	
				19. Distance to nearest lease line: 330 ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: 12180.68	
21. Lease Perpendiculars: <u>330</u> ft from the <u>NORTH</u> line and <u>1320</u> ft from the <u>EAST</u> line. 22. Survey Perpendiculars: <u>330</u> ft from the <u>NORTH</u> line and <u>1320</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	10600	0.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)							
Remarks [RRC STAFF Sep 1, 2015 11:40 AM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Sep 2, 2015 1:25 PM]: Problems identified with this permit are resolved.; [RRC STAFF Sep 2, 2015 1:25 PM]: Ann Ritchie sent new plat and p-16.				Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge.			
				_____ Name of filer			
RRC Use Only				_____ Date submitted			
				_____ Phone			
Data Validation Time Stamp: Sep 3, 2015 2:45 PM(Current Version)				_____ E-mail Address (OPTIONAL)			
				_____ E-mail Address (OPTIONAL)			

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

RAILROAD COMMISSION OF TEXAS
 OIL & GAS DIVISION

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

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Permit #	809728
Approved Date:	Sep 03, 2015

1. RRC Operator No. 682074	2. Operator's Name (exactly as shown on form P-5, Organization Report) PT PETROLEUM, LLC	3. Lease Name UNIVERSITY RED	4. Well No. 4251H
Lateral Drainhole Location Information			
5. Field as shown on Form W-1 SPRABERRY (TREND AREA) (Field # 85279200, RRC District 7C)			
6. Section 36	7. Block 4	8. Survey UNIVERSITY LANDS	9. Abstract
		10. County of BHL UPTON	
11. Terminus Lease Line Perpendiculars 7830 ft. from the North line. and 4284 ft. from the West line			
12. Terminus Survey Line Perpendiculars 2535 ft. from the North line. and 1320 ft. from the East line			
13. Penetration Point Lease Line Perpendiculars 330 ft. from the North line. and 1320 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 <div style="text-align: right;">809728</div>	DATE PERMIT ISSUED OR AMENDED <div style="text-align: center;">Sep 03, 2015</div>	DISTRICT <div style="text-align: center;">* 7C</div>			
API NUMBER <div style="text-align: right;">42-461-40189</div>	FORM W-1 RECEIVED <div style="text-align: center;">Aug 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;">Horizontal</div>	ACRES <div style="text-align: center;">12180.68</div>			
OPERATOR <div style="text-align: right;">682074</div> PT PETROLEUM, LLC 2701 DALLAS PARKWAY STE 580 PLANO, TX 75093-0000		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 <div style="text-align: center;">UNIVERSITY RED</div>		WELL NUMBER <div style="text-align: center;">4251H</div>			
LOCATION <div style="text-align: center;">9.5 miles SE direction from RANKIN</div>		TOTAL DEPTH <div style="text-align: center;">10600</div>			
Section, Block and/or Survey SECTION 25 BLOCK 4 ABSTRACT SURVEY UNIVERSITY LANDS					
DISTANCE TO SURVEY LINES <div style="text-align: center;">330 ft. NORTH 1320 ft. EAST</div>		DISTANCE TO NEAREST LEASE LINE <div style="text-align: center;">330 ft.</div>			
DISTANCE TO LEASE LINES <div style="text-align: center;">330 ft. NORTH 1320 ft. EAST</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 NEAREST LEASE	WELL # NEAREST WE	DIST
----- SPRABERRY (TREND AREA) UNIVERSITY RED -----		12180.68 330	10,600 0	4251H 0	7C
----- WELLBORE PROFILE(s) FOR FIELD: Horizontal -----					
RESTRICTIONS: Lateral: TH1 Penetration Point Location Lease Lines: 330.0 F NORTH L 1320.0 F EAST L Terminus Location BH County: UPTON Section: 36 Block: 4 Abstract: Survey: UNIVERSITY LANDS Lease Lines: 7830.0 F NORTH L 4284.0 F WEST L Survey Lines: 2535.0 F NORTH L 1320.0 F EAST 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.					

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OIL & GAS DIVISION

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LEASE NAME <div style="text-align: center;">UNIVERSITY RED</div>		WELL NUMBER <div style="text-align: center;">4251H</div>										
LOCATION <div style="text-align: center;">9.5 miles SE direction from RANKIN</div>		TOTAL DEPTH <div style="text-align: center;">10600</div>										
Section, Block and/or Survey SECTION ◀ 25 BLOCK ◀ 4 ABSTRACT ◀ SURVEY ◀ UNIVERSITY LANDS												
DISTANCE TO SURVEY LINES <div style="text-align: center;">330 ft. NORTH 1320 ft. EAST</div>		DISTANCE TO NEAREST LEASE LINE <div style="text-align: center;">330 ft.</div>										
DISTANCE TO LEASE LINES <div style="text-align: center;">330 ft. NORTH 1320 ft. EAST</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>												
<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">FIELD NAME</td> <td style="width: 15%;">ACRES</td> <td style="width: 15%;">DEPTH</td> <td style="width: 10%;">WELL #</td> <td style="width: 10%;">DIST</td> </tr> <tr> <td>LEASE NAME</td> <td>NEAREST LEASE</td> <td></td> <td>NEAREST WE</td> <td></td> </tr> </table> <p>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.</p>			FIELD NAME	ACRES	DEPTH	WELL #	DIST	LEASE NAME	NEAREST LEASE		NEAREST WE	
FIELD NAME	ACRES	DEPTH	WELL #	DIST								
LEASE NAME	NEAREST LEASE		NEAREST WE									

**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: 03 August 2015

GAU Number:

12762

Attention: PT PETROLEUM, LLC

2701 DALLAS PARKWAY STE 580

PLANO, TX 75093

P-5#: 682074

API Number:

County:

UPTON

Lease Name:

University Red

RRC Lease Number:

Well Number:

4251H

Total Vertical Depth:

10000

Latitude:

31.157543

Longitude:

-101.864100

Datum:

NAD27

Purpose: New Drill

Location: Survey-UL; Block-4; Section-25

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 725 feet must be protected.

This determination is based on information provided when the application was submitted on 07/31/2015. 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

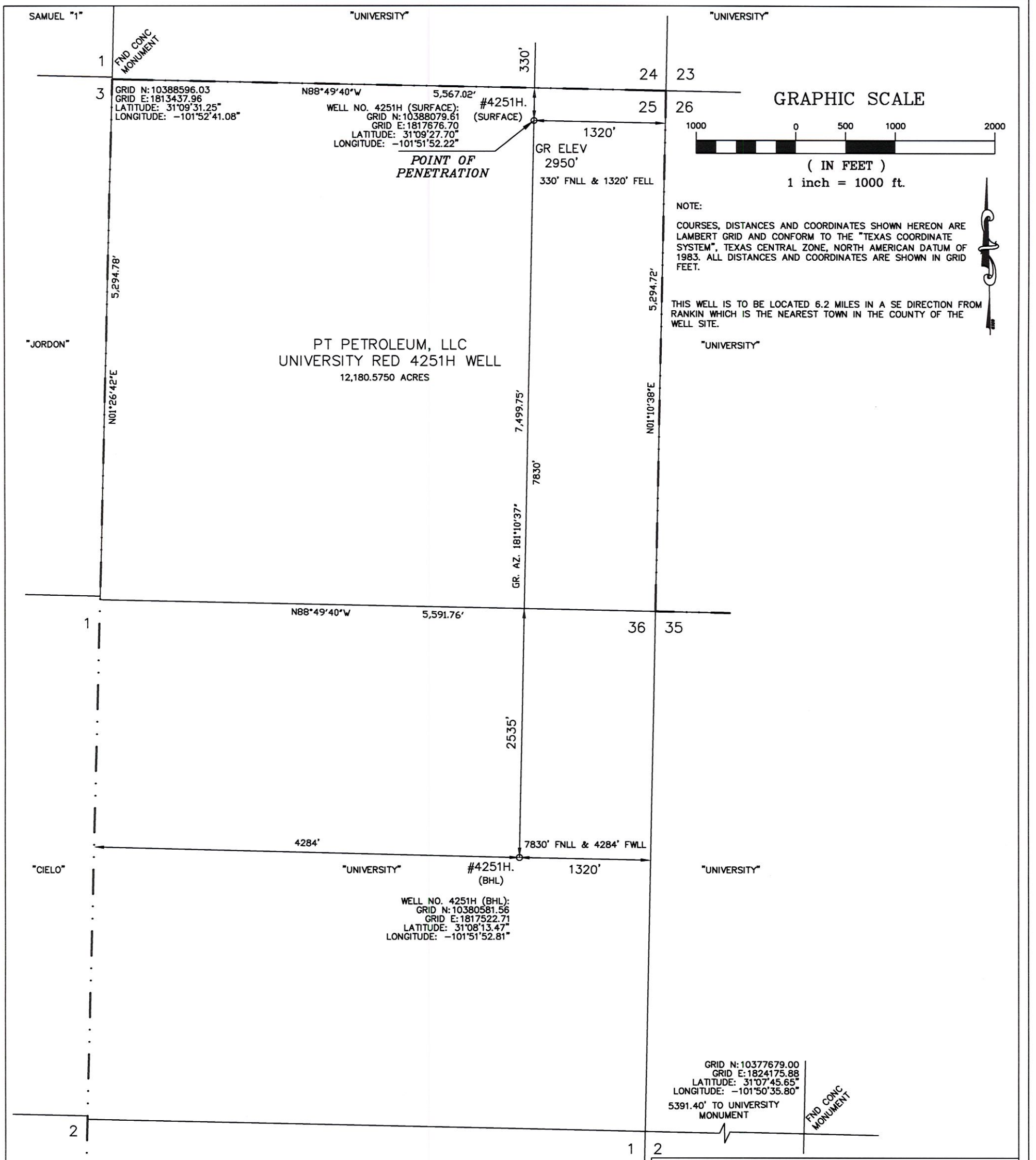
Form GW-2

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

512-463- 2741

Rev. 02/2014

Internet address: www.rrc.texas.gov




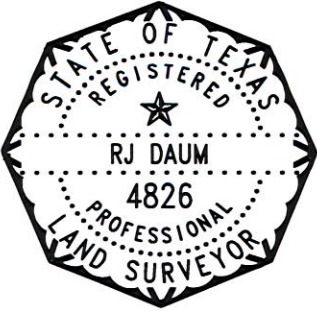
BLACK MOUNTAIN "236"

REVISD JULY 7, 2015 CHANGED LEASE ACREAGE AS PER PT PETROLEUM
REVISED JUNE 23, 2015 CHANGED WELL NAME AS PER PT PETROLEUM

THE UNDERSIGNED DOES HEREBY CERTIFY THAT THIS LOCATION WAS THIS DAY MADE ON THE GROUND BY ME OR UNDER MY SUPERVISION AND THAT THIS PLAT IS A CORRECT REPRESENTATION THEREOF.

DATED THIS 23RD DAY OF APRIL, 2015


RJ DAUM
TEXAS RPLS 4826



SCHUMANN ENGINEERING CO., INC.
REGISTERED PROFESSIONAL LAND SURVEYORS
LICENSED STATE LAND SURVEYORS
Civil Engineering ~ Land Surveying
TEXAS FIRM NO. F1800
408 N. PECOS STREET - P. O. BOX 504
MIDLAND, TEXAS 79702-0504

REGISTERED PROFESSIONAL CIVIL ENGINEERS
TEXAS and NEW MEXICO
Office (432) 684-5548
Fax (432) 684-6973

LOCATION PLAT

PT PETROLEUM, LLC
UNIVERSITY RED 4251H WELL

SURFACE LOCATION
330 FEET FROM THE NORTH AND
1320 FEET FROM THE EAST LINES
SECTION 25,

BOTTOM HOLE LOCATION
2535 FEET FROM THE NORTH AND
1320 FEET FROM THE EAST LINES
SECTION 36,

ALL IN BLOCK 4,
UNIVERSITY LANDS SURVEY,
UPTON COUNTY, TEXAS

QUAD: RANKIN NE
SCALE: 1" = 1000'

PROJECT: 74818PT
JOB NO. 74,818-A