

API No. <u>42-475-35065</u> Drilling Permit # <u>860782</u> SWR Exception Case/Docket No. <u>0246643</u> (R37)		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>265322</u>		2. Operator's Name (as shown on form P-5, Organization Report) FELIX ENERGY HOLDINGS II, LLC		3. Operator Address (include street, city, state, zip): FELIX ENERGY 1530 16TH ST SUITE 500 DENVER, CO 80202-0000			
4. Lease Name UNIVERSITY 18-17		5. Well No. 1H					
GENERAL INFORMATION							
6. Purpose of filing (mark ALL appropriate boxes): <input type="checkbox"/> New Drill <input checked="" 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 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							
8. Total Depth 15000		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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
SURFACE LOCATION AND ACREAGE INFORMATION							
11. RRC District No. 08		12. County WARD		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>2.4</u> miles in a <u>W</u> direction from <u>Pyote</u> which is the nearest town in the county of the well site.							
15. Section 18	16. Block 17	17. Survey UL		18. Abstract No. A-U57	19. Distance to nearest lease line: 112 ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: 280.51	
21. Lease Perpendiculars: <u>1319</u> ft from the <u>E</u> line and <u>112</u> ft from the <u>S</u> line. 22. Survey Perpendiculars: <u>1319</u> ft from the <u>E</u> line and <u>1435</u> ft from the <u>S</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	
08	71052900	PHANTOM (WOLFCAMP)		Oil or Gas Well	12264	0.00	
08	92100050	TWO GEORGES (BONE SPRING)		Oil Well	12264	701.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
Remarks See W1 Comments attached				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> <u>Bill Spencer, Consultant</u> Name of filer </div> <div> <u>Jan 10, 2020</u> Date submitted </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <u>(512)9181062</u> Phone </div> <div> <u>bill@spencerconsulting.org</u> E-mail Address (OPTIONAL) </div> </div>			
RRC Use Only Data Validation Time Stamp: Jan 24, 2020 4:35 PM('As Approved' 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**

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.*

W-1 Comments

Permit # **860782**

Approved Date: **Jan 24, 2020**

[FILER Jan 10, 2020 10:41 AM]: Amended for SWR 10 commingling completion; [RRC STAFF Jan 10, 2020 11:00 AM]: Chris Spencer requested that the purpose of filing be changed to RECOMPLETION. The API number has been provided and entered.; [RRC STAFF Jan 14, 2020 4:12 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Jan 17, 2020 2:24 PM]: Revised P-16 attached.; [RRC STAFF Jan 17, 2020 2:27 PM]: As-drilled plat attached. Well Completion filed as a Vertical well. Well Compliance analyst instructed filer to submit a Recompletion regarding the SWR40 within PHANTOM (WOLFCAMP) and TWO GEORGES (BONE SPRING). Plat shows a BHL but per filer it is within the Vertical portion of the well. Lease name and Total Acres changed on Completion Packet. Corrected Wellbore Profile to Vertical. Corrected Lease Name and Total Lease Acres.; [RRC STAFF Jan 17, 2020 2:30 PM]: Corrected Survey and Lease Line calls to reflect as-drilled plat.; [RRC STAFF Jan 17, 2020 2:30 PM]: Problems identified with this permit are resolved.; [RRC STAFF Jan 17, 2020 2:47 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Jan 17, 2020 2:48 PM]: Field # in Sect 2, Pror ac vs assgn ac sect 2, nearest well on plat for the TWO GEORGES; [RRC STAFF Jan 23, 2020 11:35 AM]: Revised plat attached.; [RRC STAFF Jan 23, 2020 11:35 AM]: Problems identified with this permit are resolved.; [RRC STAFF Jan 24, 2020 12:29 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Jan 24, 2020 4:35 PM]: Problems identified with this permit are resolved.

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 align="center">860782</div>	DATE PERMIT ISSUED OR AMENDED <div align="center">Jan 24, 2020</div>	DISTRICT <div align="center">* 08</div>			
API NUMBER <div align="center">42-475-35065</div>	FORM W-1 RECEIVED <div align="center">Jan 10, 2020</div>	COUNTY <div align="center">WARD</div>			
TYPE OF OPERATION <div align="center">RECOMPLETION</div>	WELLBORE PROFILE(S) <div align="center">Vertical</div>	ACRES <div align="center">280.51</div>			
OPERATOR <div align="center"> FELIX ENERGY HOLDINGS II, LLC FELIX ENERGY 1530 16TH ST SUITE 500 DENVER, CO 80202-0000 </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 align="center">(432) 684-5581</div>			
LEASE NAME <div align="center">UNIVERSITY 18-17</div>		WELL NUMBER <div align="center">1H</div>			
LOCATION <div align="center">2.4 miles W direction from PYOTE</div>		TOTAL DEPTH <div align="center">15000</div>			
Section, Block and/or Survey <div> SECTION ◀ 18 BLOCK ◀ 17 ABSTRACT ◀ U57 SURVEY ◀ UL </div>					
DISTANCE TO SURVEY LINES <div align="center">1319 ft. E 1435 ft. S</div>		DISTANCE TO NEAREST LEASE LINE <div align="center">112 ft.</div>			
DISTANCE TO LEASE LINES <div align="center">1319 ft. E 112 ft. S</div>		DISTANCE TO NEAREST WELL ON LEASE <div align="center">See FIELD(s) Below</div>			
FIELD(s) and LIMITATIONS: <div align="center"> * SEE FIELD DISTRICT FOR REPORTING PURPOSES * ** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(B) ** CASE NO. 0246643 </div>					
FIELD NAME LEASE NAME -----		ACRES NEAREST LEASE -----	DEPTH -----	WELL # NEAREST WE -----	DIST -----
** PHANTOM (WOLFCAMP) UNIVERSITY 18-17		280.51 112	12,264 0	1H 0	08
RESTRICTIONS: This is a hydrogen sulfide field. Hydrogen Sulfide Fields with perforations must be isolated and tested per State Wide Rule 36 and a Form H-9 filed with the district office. Fields with SWR 10 authority to downhole commingle must be isolated and tested individually prior to commingling production.					
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** TWO GEORGES (BONE SPRING) UNIVERSITY 18-17		280.51 112	12,264 701	1H 	08
RESTRICTIONS: This is a hydrogen sulfide field. Hydrogen Sulfide Fields with perforations must be isolated and tested per State Wide Rule 36 and a Form H-9 filed with the district office. Fields with SWR 10 authority to downhole commingle must be isolated and tested individually prior to commingling production.					
'***' PRECEDING FIELD NAME INDICATES RULE (R37)					
THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS					

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;">860782</div>	DATE PERMIT ISSUED OR AMENDED <div style="text-align: center;">Jan 24, 2020</div>	DISTRICT <div style="text-align: center;">* 08</div>
API NUMBER <div style="text-align: right;">42-475-35065</div>	FORM W-1 RECEIVED <div style="text-align: center;">Jan 10, 2020</div>	COUNTY <div style="text-align: center;">WARD</div>
TYPE OF OPERATION <div style="text-align: center;">RECOMPLETION</div>	WELLBORE PROFILE(S) <div style="text-align: center;">Vertical</div>	ACRES <div style="text-align: center;">280.51</div>
OPERATOR <div style="text-align: right;">265322</div> <div style="text-align: center;">FELIX ENERGY HOLDINGS II, LLC</div> <div style="text-align: center;">FELIX ENERGY 1530 16TH ST SUITE 500 DENVER, CO 80202-0000</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;">(432) 684-5581</div>
LEASE NAME <div style="text-align: center;">UNIVERSITY 18-17</div>		WELL NUMBER <div style="text-align: center;">1H</div>
LOCATION <div style="text-align: center;">2.4 miles W direction from PYOTE</div>		TOTAL DEPTH <div style="text-align: center;">15000</div>
Section, Block and/or Survey <div style="display: flex; justify-content: space-between;"> <div>SECTION ◀ 18</div> <div>BLOCK ◀ 17</div> <div>ABSTRACT ◀ U57</div> </div> <div style="display: flex; justify-content: space-between;"> <div>SURVEY ◀ UL</div> </div>		
DISTANCE TO SURVEY LINES <div style="text-align: center;">1319 ft. E 1435 ft. S</div>		DISTANCE TO NEAREST LEASE LINE <div style="text-align: center;">112 ft.</div>
DISTANCE TO LEASE LINES <div style="text-align: center;">1319 ft. E 112 ft. S</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 * ** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(B) ** CASE NO. 0246643 </div>		
<div style="display: flex; justify-content: space-between;"> <div>FIELD NAME</div> <div>ACRES</div> <div>DEPTH</div> <div>WELL #</div> <div>DIST</div> </div> <div style="display: flex; justify-content: space-between;"> <div>LEASE NAME</div> <div>NEAREST LEASE</div> <div>NEAREST WE</div> </div> <p>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.</p> <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>		

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

WARD (475) County

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
RUSTLER	1,700	1,700		1	12/17/2013
YATES	2,000	2,800		2	12/17/2013
SEVEN RIVERS	2,375	2,375		3	12/17/2013
QUEEN	2,200	3,200		4	12/17/2013
GLORIETA	3,900	4,000		5	12/17/2013
SAN ANDRES	2,000	4,500	high flows, H2S, corrosive	6	12/17/2013
HOLT	4,600	4,800		7	12/17/2013
CLEARFORK	4,500	5,000		8	12/17/2013
DELAWARE	2,300	5,000		9	12/17/2013
TUBB	4,600	5,300		10	12/17/2013
WICHITA ALBANY	6,000	6,200		11	12/17/2013
CHERRY CANYON	4,800	7,800		12	12/17/2013
WADDELL	7,600	9,700		13	12/17/2013
BONE SPRINGS	4,700	9,800		14	12/17/2013
WOLFCAMP	6,000	12,750		15	12/17/2013
MONTOYA	14,500	14,500		16	12/17/2013
PENNSYLVANIAN	7,500	14,900		17	12/17/2013
ATOKA	12,000	15,000		18	12/17/2013
FUSSELMAN	6,400	17,500		19	12/17/2013
DEVONIAN	6,200	17,800		20	12/17/2013
ELLENBURGER	7,900	20,800		21	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.texas.gov/oil-gas/compliance-enforcement/rule-13-geologic-formation-info>

Form P-16

Page 1

Acreage Designation

SECTION I. OPERATOR INFORMATION			
Operator Name:	Felix Energy Holdings II, LLC	Operator P-5 No.:	265322
Operator Address:	1530 16th Street, Suite 500 Denver, CO 80202		

District No.:	08	API No.:	475-35065	Purpose of Filing: <input checked="checked" type="checkbox"/> Drilling Permit Application (Form W-1) <input type="checkbox"/> Completion Report (Form G-1/W-2)
Well No.:	1H	Drilling Permit No.:		
Lease Name:	University 18-17	RRC ID or Lease No.:		
Total Lease Acres:	280.51	Field Name:	Phantom (Wolfcamp)	
Proration Acres:	46.75	Field No.:	71052 900	
Wellbore Profile	Vertical Well	Is this a UFT field?	Yes	
SL Record (Parent) Well Drilling Permit No.:		County:	Ward	

[illegible]

SECTION IV. REMARKS - REQUIRED FOR PSA AND CO-DEVELOPMENT (refer to instructions)

P. O. Box 4188			Cedar Park Tx	78613	(512) 918-1062			01/16/20		
Address			City,	State,	Zip Code	Tel:	Area Code	Number	Date:	mo. day yr.

Form P-16

Page 1

Acreage Designation

SECTION I. OPERATOR INFORMATION			
Operator Name:	Felix Energy Holdings II, LLC	Operator P-5 No.:	265322
Operator Address:	1530 16th Street, Suite 500 Denver, CO 80202		

District No.:	08	API No.:	475-35065	Purpose of Filing: <input checked="checked" type="checkbox"/> Drilling Permit Application (Form W-1) <input type="checkbox"/> Completion Report (Form G-1/W-2)
Well No.:	1H	Drilling Permit No.:		
Lease Name:	University 18-17	RRC ID or Lease No.:		
Total Lease Acres:	280.51	Field Name:	Two Georges (Bone Spring)	
Proration Acres:	80.00	Field No.:	92100050	
Wellbore Profile	Vertical Well	Is this a UFT field?	No	
SL Record (Parent) Well Drilling Permit No.:		County:	Ward	

[illegible]

SECTION IV. REMARKS - REQUIRED FOR PSA AND CO-DEVELOPMENT (refer to instructions)

P. O. Box 4188			Cedar Park Tx	78613	(512) 918-1062			01/16/20		
Address			City,	State,	Zip Code	Tel:	Area Code	Number	Date:	mo. day yr.

FELIX ENERGY HOLDINGS II, LLC
WARD COUNTY, TEXAS
S.H.L. 1,435' FSL - 1,319' FEL, SECTION 18, BLOCK 17



LEGEND

UL

LL

SL

S.H.L.

P.O.P.

F.T.P.

T.P.

L.T.P.

B.H.L.

UNIT LINE

LEASE LINE

SECTION LINE

AS-DRILLED WELL PATH

100' UNIT OFFSET

SURFACE HOLE LOCATION

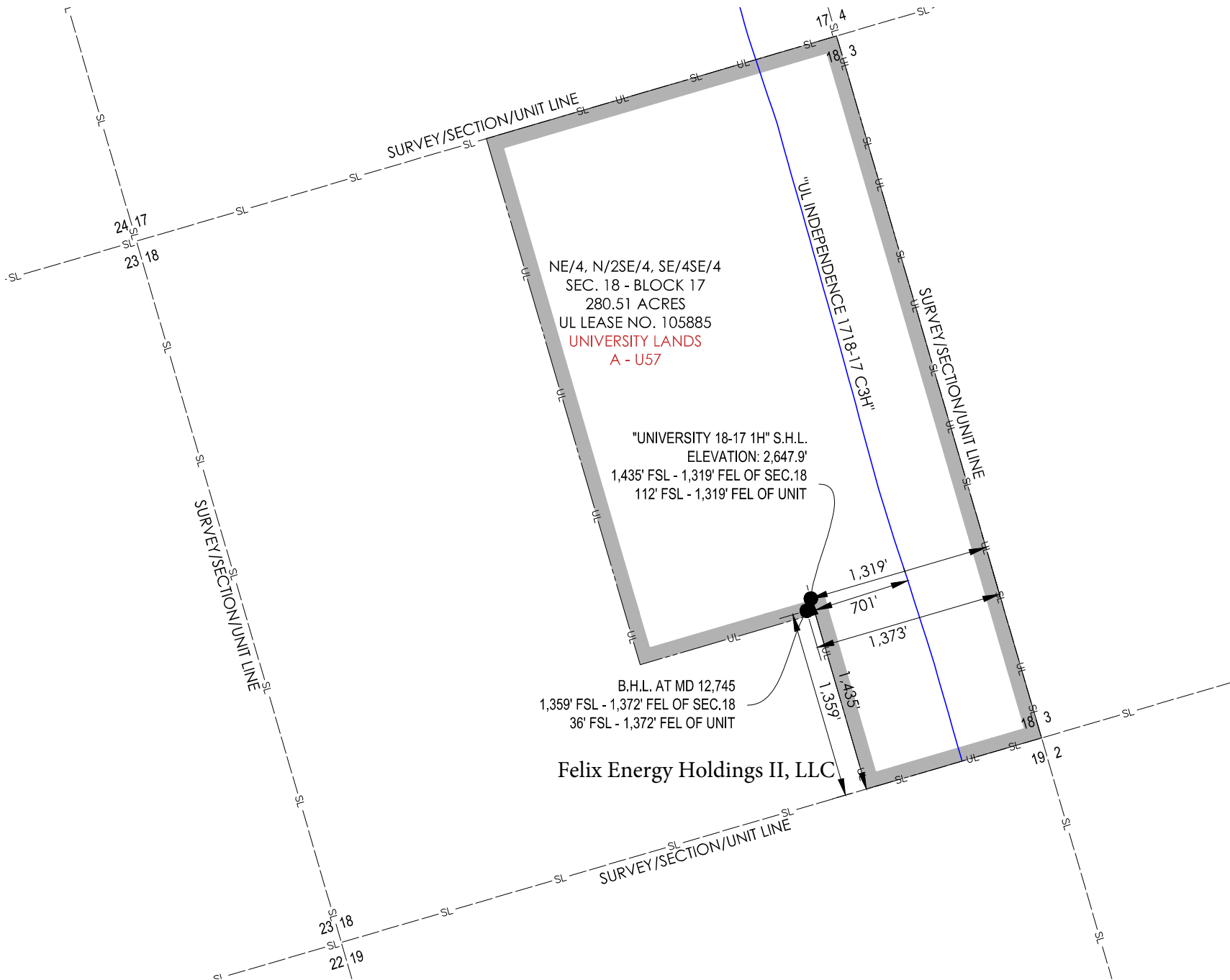
POINT OF PENETRATION

FIRST TAKE POINT

TURNING POINT

LAST TAKE POINT

BOTTOM HOLE LOCATION

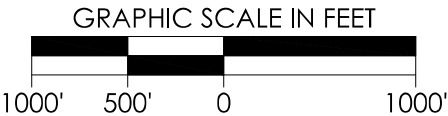


OPERATOR: FELIX ENERGY HOLDINGS II, LLC

WELL NAME: UNIVERSITY 18-17 WELL NO: 1H

TOPOGRAPHIC & VEGETATION: FLAT LOCATION WITH LOW LYING BRUSH

GOOD DRILL SITE: YES REFERENCE STAKES OR ALTERNATE LOCATION STAKES SET: NONE

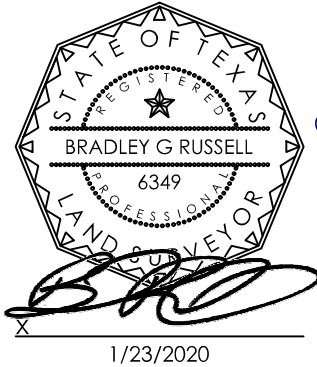


SURFACE HOLE LOCATION:
1,435' FSL & 1,319' FEL (SEC. 18)
112' FSL & 1,319' FEL (UNIT)
GROUND ELEVATION: 2,647.9'
NAD 27 TEXAS CENTRAL ZONE
NORTHING: 698577.3, EASTING: 1119549.9
LATITUDE: N 31.55670060°, LONGITUDE: W -103.16027836°
NAD 83 TEXAS CENTRAL ZONE
NORTHING: 10541152.83, EASTING: 1416015.82
LATITUDE: N 31.55683325°, LONGITUDE: W -103.16071893°

BOTTOM HOLE LOCATION:
1,359' FSL & 1,372' FEL (SEC. 18)
36' FSL & 1,372' FEL (UNIT)
NAD 27 TEXAS CENTRAL ZONE
NORTHING: 698489.28, EASTING: 1119520.28
LATITUDE: N 31.55645663°, LONGITUDE: W -103.16036624°

- GENERAL NOTES
- THE LOCATIONS OF UNDERGROUND UTILITIES AS SHOWN HEREON ARE BASED ON REASONABLE VISUAL OBSERVATION. LOCATIONS OF UNDERGROUND UTILITIES/ STRUCTURES MAY VARY FROM LOCATIONS SHOWN HEREIN. ADDITIONAL BURIED UTILITIES/ STRUCTURES MAY BE ENCOUNTERED. NO EXCAVATIONS WERE MADE DURING THE PROGRESS OF THIS SURVEY TO LOCATE BURIED UTILITIES/ STRUCTURES. BEFORE EXCAVATIONS ARE BEGUN, THE OFFICES OF THE VARIOUS UTILITIES SERVICING THIS AREA SHOULD BE CONTACTED FOR THEIR UTILITY LOCATION.
 - BASIS OF BEARINGS : TEXAS STATE PLANE GRID, CENTRAL ZONE, NAD83 AS DETERMINED BY GPS OBSERVATION.
 - COMBINED SCALE FACTOR AT S.H.L. - 0.99980196
 - VERTICAL DATUM IS NAVD 88
 - AREAS, DISTANCES, AND COORDINATES ARE "GRID" BASED ON U.S. SURVEY FEET.
 - THIS PLAT DOES NOT REPRESENT A BOUNDARY SURVEY.

LOCATION	NAD27	
	STATE PLANE TEXAS CENTRAL (32039)	GEOGRAPHIC (4267)
NE CORNER S.18-B.17	N = 702649.94 E = 1119735.10	LAT: 31.56790654° LONG: -103.16001619°
SE CORNER S.18-B.17	N = 697569.76 E = 1121218.65	LAT: 31.55404800° LONG: -103.15484062°
SW CORNER SESE S.18-B.17	N = 697199.77 E = 1119951.95	LAT: 31.55294275° LONG: -103.15887569°
NW CORNER SESE S.18-B.17	N = 698469.48 E = 1119581.18	LAT: 31.55640644° LONG: -103.16016917°
SW CORNER N2SE S.18-B.17	N = 698099.14 E = 1118314.60	LAT: 31.55530010° LONG: -103.16420389°
NW CORNER NE S.18-B.17	N = 701907.22 E = 1117202.64	LAT: 31.56568814° LONG: -103.16808408°



CONTACT INFORMATION:
Bradley G. Russell
Crafton Tull (10193715)
1000 LedgeLawn Dr.
Conway, AR 72034



Crafton Tull
surveying

501.328.3316 f 501.328.3325 f
www.craftontull.com

1000 LedgeLawn Dr
Conway, Arkansas 72034

REVISION	

"UNIVERSITY 18-17 1H"

PART OF SECTION 18, BLOCK 17
280.51 ACRES
FINAL AS-DRILLED PLAT
WARD COUNTY, TEXAS

SCALE: 1" = 1000'
PLOT DATE: 01-23-2020

CHECKED BY:
DRAWN BY:

HFD
L.DOW

APPROVED BY:
SHEET NO.: 1 OF 1

A.LILEY

