

API No. <u>42-475-37007</u> Drilling Permit # <u>805830</u> SWR Exception Case/Docket No. _____		<b>RAILROAD COMMISSION OF TEXAS</b> <b>OIL &amp; GAS DIVISION</b> <b>APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER</b> <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>				<b>FORM W-1</b> Permit Status: <b>Approved</b>	
1. RRC Operator No. <div style="text-align: center;">429574</div>		2. Operator's Name (as shown on form P-5, Organization Report) <div style="text-align: center;">JAGGED PEAK ENERGY LLC</div>			3. Operator Address (include street, city, state, zip) <div style="text-align: center;">1125 17TH STREET SUITE 2400 DENVER, CO 80202-0000</div>		
4. Lease Name <div style="text-align: center;">UTL L.J. BELDIN 1211-17</div>			5. Well No. <div style="text-align: center;">2H</div>				
GENERAL INFORMATION							
6. Purpose of filing (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span><input checked="" type="checkbox"/> New Drill</span> <span><input type="checkbox"/> Recompletion</span> <span><input type="checkbox"/> Reclass</span> <span><input type="checkbox"/> Field Transfer</span> <span><input type="checkbox"/> Re-Enter</span> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span><input type="checkbox"/> Amended</span> <span><input type="checkbox"/> Amended as Drilled (BHL)(Also File Form W-1D)</span> </div>							
7. Wellbore Profile (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span><input type="checkbox"/> Vertical</span> <span><input checked="" type="checkbox"/> Horizontal (Also File Form W-1H)</span> <span><input type="checkbox"/> Directional (Also File Form W-1D)</span> <span><input type="checkbox"/> Sidetrack</span> </div>							
8. Total Depth <div style="text-align: center;">12000</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;">08</div>		12. County <div style="text-align: center;">WARD</div>		13. Surface Location <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span><input checked="" type="checkbox"/> Land</span> <span><input type="checkbox"/> Bay/Estuary</span> <span><input type="checkbox"/> Inland Waterway</span> <span><input type="checkbox"/> Offshore</span> </div>			
14. This well is to be located <u>7.9</u> miles in a <u>NW</u> direction from <u>PYOTE</u> which is the nearest town in the county of the well site.							
15. Section <div style="text-align: center;">13</div>	16. Block <div style="text-align: center;">17</div>	17. Survey <div style="text-align: center;">UNIVERSITY LANDS</div>	18. Abstract No. <div style="text-align: center;">U52</div>	19. Distance to nearest lease line: <div style="text-align: center;">200.0 ft.</div>	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <div style="text-align: center;">1281.4</div>		
21. Lease Perpendiculars: <u>500.0</u> ft. from the <u>NW OFF LSE</u> line and <u>500.0</u> ft. from the <u>SW OFF LSE</u> line.							
22. Survey Perpendiculars: <u>500.0</u> ft. from the <u>NW</u> line and <u>500.0</u> ft. from the <u>SW</u> line.							
23. Is this a pooled unit? <input checked="" type="checkbox"/> Yes <input 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 <b>List all fields of anticipated completion including Wildcat. List one zone per line.</b>							
26. RRC District No. <div style="text-align: center;">08</div>	27. Field No. <div style="text-align: center;">71052900</div>	28. Field Name (exactly as shown in RRC records) <div style="text-align: center;">PHANTOM (WOLFCAMP)</div>	29. Well Type <div style="text-align: center;">Oil or Gas Well</div>	30. Completion Depth <div style="text-align: center;">12000</div>	31. Distance to Nearest Well in this Reservoir <div style="text-align: center;">1.0</div>	32. Number of Wells on this lease in this Reservoir <div style="text-align: center;">2</div>	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
<b>Remarks</b> [FILER 04/21/2015 01:56:13 PM]: Jagged Peak will file a Well Record Only W-2 changing the name of the 1H well to match the 2H.; [RRC STAFF 04/23/2015 09:54:42 AM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF 04/23/2015 10:11:12 AM]: Problems identified with this permit are resolved.; [RRC STAFF 04/23/2015 10:11:42 AM]: Mike Paluso sent new plat with distance to the nearest well.;				<b>Certificate:</b> 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; margin-top: 10px;"> <div> <b>RRC User</b>            _____            Name of filer         </div> <div> <b>04/21/2015</b>            _____            Date Submitted         </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>           _____            Phone         </div> <div>           _____            Email Address(OPTIONAL)         </div> </div>			
<b>RRC Use Only</b> Date Validation Time Stamp:      Tue, 19 May 2015 13:17:37							

## RAILROAD COMMISSION OF TEXAS

## FORM W-1H

Permit Status: Approved

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

**OIL & GAS DIVISION**  
**APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-**

*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.*

**Supplemental Horizontal Well Information**

Permit # 805830  
Approved Date: 04/24/2015

1. RRC Operator No. 429574	2. Operator's Name (as shown on form P-5, Organization Report) JAGGED PEAK ENERGY LLC	3. Lease Name UTL L.J. BELDIN 1211-17	4 Well No. 2H	
<b>Lateral Drainhole Location Information</b>				
5. Field as shown on Form W-1 PHANTOM (WOLFCAMP) ( Field # 71052900, RRC District 08 )				
6. Section 45	7. Block 21	8. Survey UNIVERSITY LANDS	9. Abstract	10. County of BHL WINKLER
11. Terminus Lease Line Perpendiculars 500.0 ft. from the SW line and 200.0 ft. from the NW line				
12. Terminus Survey Line Perpendiculars 500.0 ft. from the SW line and 2443.0 ft. from the SE line				
13. Penetration Point Lease Line Perpendiculars 500.0 ft. from the SW line and 200.0 ft. from the SE 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 <b>805830</b>	DATE PERMIT ISSUED OR AMENDED <b>04/24/2015</b>	DISTRICT <b>08</b>
API NUMBER <b>42-475-37007</b>	FORM W-1 RECEIVED <b>04/21/2015</b>	COUNTY <b>WARD</b>
TYPE OF OPERATION <b>New Drill</b>	WELLBORE PROFILE(S) <b>Horizontal</b>	ACRES <b>1281.4</b>
OPERATOR <b>JAGGED PEAK ENERGY LLC</b> <b>1125 17TH STREET SUITE 2400</b> <b>DENVER, CO 80202-0000</b>		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:  <b>(432) 684-5581</b>
LEASE NAME <b>UTL L.J. BELDIN 1211-17</b>		WELL NUMBER <b>2H</b>
LOCATION <b>7.9 miles NW direction from PYOTE</b>		TOTAL DEPTH <b>12000</b>
Section, Block and/or Survey SECTION <b>13</b> BLOCK <b>17</b> ABSTRACT <b>U52</b> SURVEY <b>UNIVERSITY LANDS</b>		
DISTANCE TO SURVEY LINES <b>500.0 ft NW 500.0 ft SW</b>		DISTANCE TO NEAREST LEASE LINE <b>200.0</b>
DISTANCE TO LEASE LINES <b>500.0 ft NW OFF LSE 500.0 ft SW OFF LSE</b>		DISTANCE TO NEAREST WELL ON LEASE <b>See FIELD(s) Below</b>

FIELD(s) and LIMITATIONS:

\* SEE FIELD DISTRICT FOR REPORTING PURPOSES \*

FIELD NAME	ACRES	DEPTH	WELL#	DIST
LEASE NAME	NEAREST LEASE		NEAREST WELL	
PHANTOM (WOLFCAMP)	1281.4	12000	2H	08
UTL L.J. BELDIN 1211-17	200.0		1.0	
WELLBORE PROFILE(s) FOR FIELD: Horizontal				

Terminus Point: TH1 Section: 45 Block: 21 Abstract: Survey: UNIVERSITY LANDS BH County: WINKLER

Lease Lines: 500.0 ft SW 200.0 ft NW

Survey Lines: 500.0 ft SW 2443.0 ft SE

Penetration Lines: 500.0 ft SW 200.0 ft SE

## 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 and Gas Division**  
**SWR #13 Formation Data**  
**WARD ( 475 ) COUNTY**

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
RUSTLER	1700	1700		1	01/01/2014
YATES	2000	2800		2	01/01/2014
SEVEN RIVERS	2375	2375		3	01/01/2014
QUEEN	2200	3200		4	01/01/2014
GLORIETA	3900	4000		5	01/01/2014
SAN ANDRES	2000	4500	high flows, H2S, corrosive	6	01/01/2014
HOLT	4600	4800		7	01/01/2014
CLEARFORK	4500	5000		8	01/01/2014
DELAWARE	2300	5000		9	01/01/2014
TUBB	4600	5300		10	01/01/2014
WICHITA ALBANY	6000	6200		11	01/01/2014
CHERRY CANYON	4800	7800		12	01/01/2014
WADDELL	7600	9700		13	01/01/2014
BONE SPRINGS	4700	9800		14	01/01/2014
WOLFCAMP	6000	12750		15	01/01/2014
MONTOYA	14500	14500		16	01/01/2014
PENNSYLVANIAN	7500	14900		17	01/01/2014
ATOKA	12000	15000		18	01/01/2014
FUSSELMAN	6400	17500		19	01/01/2014
DEVONIAN	6200	17800		20	01/01/2014
ELLENBURGER	7900	20800		21	01/01/2014

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 April 28, 2015

GAU File No.: 8448

API Number 47500000

Attention: JOSHUA CHEVALIER

RRC Lease No. 000000

SC\_429574\_47500000\_000000\_8448.pdf

JAGGED PEAK ENERGY LLC  
1125 17TH STREET  
SUITE 2400  
DENVER CO 80202

P-5# 429574

--Measured--

500 ft FSWL

500 ft FNWL

MRL: SECTION

Digital Map Location:

X-coord/Long -103.200456

Y-coord/Lat 31.631931

Datum 83 Zone

County WARD

Lease & Well No. UTL L.J. BELDIN 1211-17 #2H

Purpose ND

Location SUR-UL, BLK-17, SEC-13, -- [TD=12000], [RRC 08],

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 the base of the ALLUROSA, which is estimated to occur at a depth of 850 feet, must be protected.

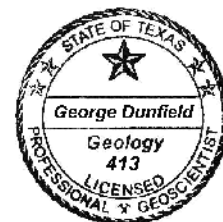
Note: Unless stated otherwise, this recommendation is intended to apply only to the subject well and not for area-wide use. This recommendation is intended for normal drilling, production, and plugging operations only. It does not apply to saltwater disposal operation into a nonproductive zone (RRC Form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

If you have any questions, please contact us at 512-463-2741 [gau@rrc.state.tx.us](mailto:gau@rrc.state.tx.us), or by mail.

Sincerely,

George Dunfield, P.G.

GEOLOGIST SEAL



Geologist, Groundwater Advisory Unit  
Oil & Gas Division

The seal appearing on this document was authorized by George Dunfield on 4/28/2015  
Note: Alteration of this electronic document will invalidate the digital signature.

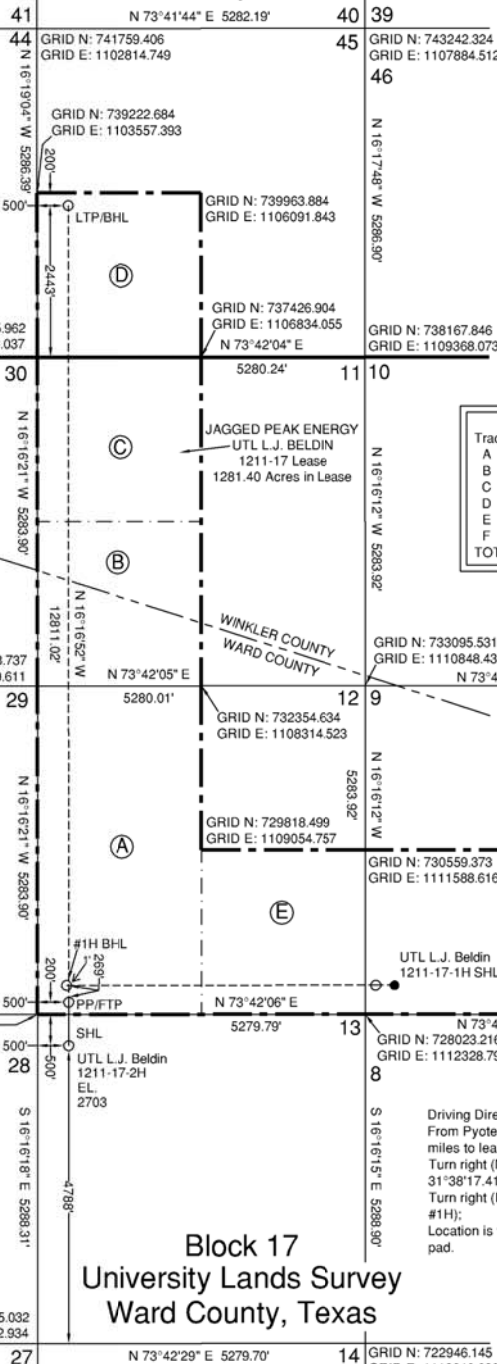
# Block 21 University Lands Survey Winkler County, Texas

Last Take Point/Bottom Hole  
Location (LTP/BHL)  
GRID N: 739171.087  
GRID E: 1104093.485  
Lat: +31°40'02.294"  
Long: -103°12'49.326"  
Lat: +31.667304°  
Long: -103.213702°

Penetration Point/First Take  
Point (PP/FTP)  
GRID N: 726873.819  
GRID E: 1107685.050  
Lat: +31°38'01.551"  
Long: -103°12'04.111"  
Lat: +31.633764°  
Long: -103.201142°

Surface Hole Location (SHL)  
GRID N: 726201.859  
GRID E: 1107881.188  
Lat: +31°37'54.953"  
Long: -103°12'01.642"  
Lat: +31.631931°  
Long: -103.200456°

GRID N: 721465.032  
GRID E: 1108742.934

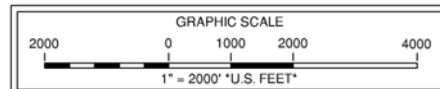


TRACTS		
Tract	Called Acreage	Description
A	320.350 Acres	W/2 Sec. 12, Blk. 17
B	160.175 Acres	SW/4 Sec. 11, Blk. 17
C	160.175 Acres	NW/4 Sec. 11, Blk. 17
D	160.175 Acres	SW/4 Sec. 45, Blk. 21
E	160.175 Acres	SE/4 Sec. 12, Blk. 17
F	320.35 Acres	S/2 Sec. 9, Blk. 17
TOTAL	1281.40 Acres	

Driving Directions to Location:  
From Pyote, Texas, drive West on Ranch-to-Market Road 2355 for 8.0 miles to lease road at Lat: 31°35'22.92", Long: 103°14'28.77".  
Turn right (North) on lease road, drive 3.3 miles to lease road at Lat: 31°38'17.41", Long: 103°14'27.49".  
Turn right (East) on lease road, drive 2.3 miles to well pad (UTL 28-17 #1H).  
Location is to the Northeast 1045 feet from the East edge of the well pad.

LEGEND	
Lease Lines	---
Tract Lines	---
Proposed Wellbore	---

Note: Well is located 7.9 miles North-Northwest of Pyote, Texas.  
Note: Survey Reconstruction filed in the Office of Pennell & Marlowe Land Surveyors, Inc.  
Note: #1H SHL surveyed in the field. Location of #1H well path was determined from plat provided by client.  
Note: Coordinates shown herein are on The Texas Coordinate System of 1927, Central Zone.  
Latitudes and Longitudes shown are on NAD'83 Datum.  
Note: Bearings and distances are based on The Texas Coordinate System of 1927, Central Zone.



April 13, 2015  
150413B-JFG

Revised 4/21/2105 (JFG)  
USGS Quadrangle Sheet: Wink South, Tex.  
Railroad Commission Permit Plat  
JAGGED PEAK ENERGY  
UTL L.J. Beldin 1211-17-2H  
SHL: 500' FNL, 500' FWL (Sec. 13)  
PP/FTP: 200' FSL, 500' FWL (Sec. 12)  
LTP/BHL: 2443' FSL, 500' FWL (Sec. 45)  
UTL L.J. Beldin 1211-17 Lease  
1281.40 Acres (Called) out of  
Sections 9, 11 & 12, Block 17 &  
Section 45, Block 21  
University Lands Survey  
Ward & Winkler Counties, Texas  
Scale: 1" = 2000'