

API No. <u>42-475-37576</u> Drilling Permit # <u>840913</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
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1. RRC Operator No. 265322	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 UL LOVELAND 1920-17		5. Well No. 7H

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"/> 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 12000	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>NW</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
21. Lease Perpendiculars: <u>648</u> ft from the <u>S (OFFLEASE)</u> line and <u>2076</u> ft from the <u>E (OFFLEASE)</u> line.		19. Distance to nearest lease line: <u>200</u> ft.	
22. Survey Perpendiculars: <u>648</u> ft from the <u>S (OFFLEASE)</u> line and <u>2076</u> ft from the <u>E (OFFLEASE)</u> line.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: 646.69	
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 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
08	71052900	PHANTOM (WOLFCAMP)	Oil or Gas Well	11600	80.00	7
08	92100050	TWO GEORGES (BONE SPRING)	Oil Well	11600	80.00	7

BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)

Remarks
 [RRC STAFF Jun 6, 2018 2:35 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Jun 6, 2018 2:35 PM]: Entire problem on 831896 and #1 on 831897 problem applies here; [RRC STAFF Jun 6, 2018 4:01 PM]: Problems identified with this permit are resolved.; [RRC STAFF Jun 6, 2018 4:01 PM]: Bill Spencer sent in cancellation letters for 1H (API: 475-37143) & 2H (API: 475-37155) on the UL LOVELAND 1902-17 lease resolving the SWR 40 issue. Per Bill, all wellbores are completely parallel to the West unit line, justifying the FTP/LTP calls.; [RRC STAFF Jun 6, 2018 4:01 PM]: Marked as pooled unit for the TWO GEORGES (BONE SPRING) field.

Certificate:

I certify that information stated in this application is true and complete, to the best of my knowledge.

Bill Spencer, Consultant Jun 06, 2018
 Name of filer Date submitted
(512)9181062 bill@spencerconsulting.org
 Phone E-mail Address (OPTIONAL)

RRC Use Only Data Validation Time Stamp: Jun 7, 2018 3:01 PM(Current Version)

**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.

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

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A certification of the automated data is available in the RRC's Austin office.*

Permit # **840913**
Approved Date: **Jun 07, 2018**

1. RRC Operator No. 265322	2. Operator's Name (exactly as shown on form P-5, Organization Report) FELIX ENERGY HOLDINGS II, LLC	3. Lease Name UL LOVELAND 1920-17	4. Well No. 7H
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Lateral Drainhole Location Information

5. Field as shown on Form W-1 **PHANTOM (WOLFCAMP) (Field # 71052900, RRC District 08)**

6. Section 20	7. Block 17	8. Survey UL / A-U59	9. Abstract	10. County of BHL WARD
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11. Terminus Lease Line Perpendiculars 75 ft. from the S line. and 940 ft. from the W line
12. Terminus Survey Line Perpendiculars 75 ft. from the S line. and 1698 ft. from the E line
13. Penetration Point Lease Line Perpendiculars 200 ft. from the N line. and 940 ft. from the W line

5. Field as shown on Form W-1 **TWO GEORGES (BONE SPRING) (Field # 92100050, RRC District 08)**

6. Section 20	7. Block 17	8. Survey UL / A-U59	9. Abstract	10. County of BHL WARD
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11. Terminus Lease Line Perpendiculars 75 ft. from the S line. and 940 ft. from the W line
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13. Penetration Point Lease Line Perpendiculars 200 ft. from the N line. and 940 ft. from the W line

**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

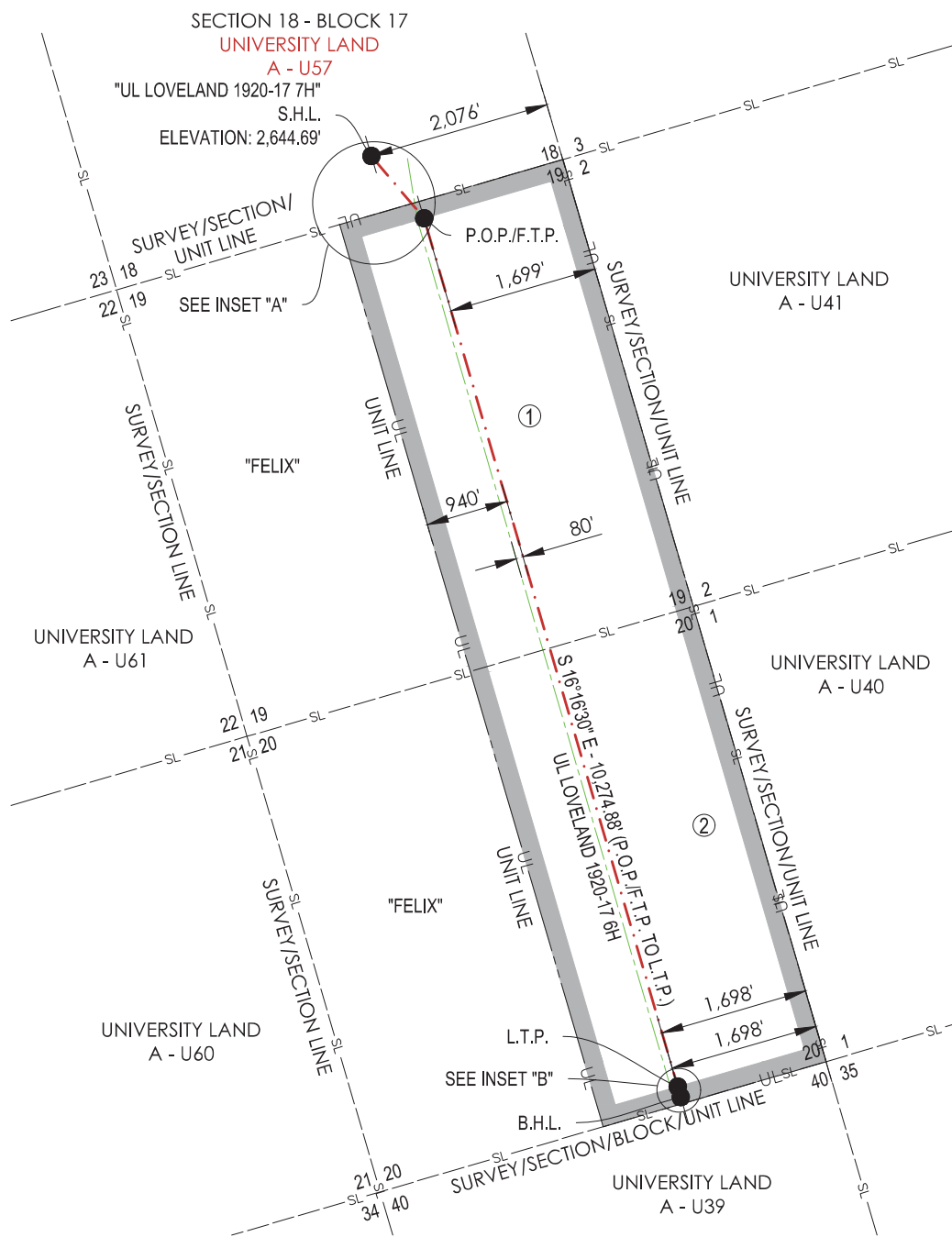
The above list may not be all inclusive, and may also include formations that do not intersect all wellbores. Formation "TOP" information listed reflects an estimated range based on geologic variances across the county. To clarify, the "Deep Top" is not the bottom of the formation; it is the deepest 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>

FELIX ENERGY HOLDINGS II, LLC
WARD COUNTY, TEXAS
S.H.L. 648' FSL - 2,076' FEL, SECTION 18, BLOCK 17

LEGEND

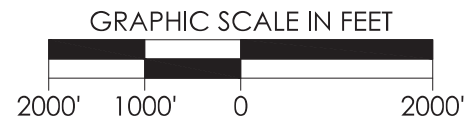
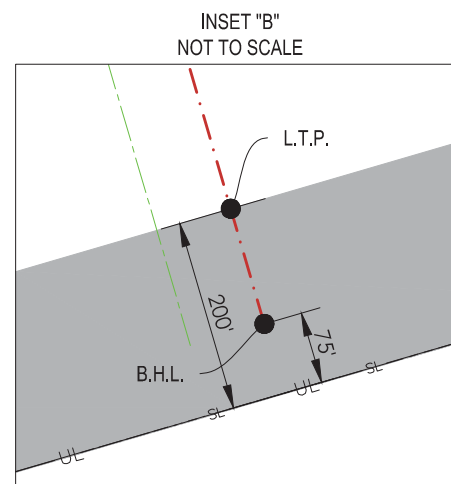
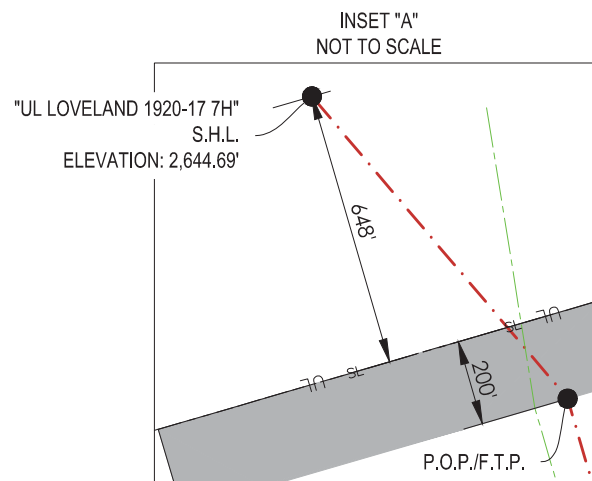
- UL — UNIT LINE
- - - SL - SECTION LINE
- . - . - . PROPOSED WELL PATH
- - - NEAREST PROPOSED WELL PATH
- 200' UNIT OFFSET
- S.H.L. SURFACE HOLE LOCATION
- P.O.P. POINT OF PENETRATION
- F.T.P. FIRST TAKE POINT
- T.P. TURNING POINT
- L.T.P. LAST TAKE POINT
- B.H.L. BOTTOM HOLE LOCATION

GRID NORTH (NAD 83)
 TEXAS - CENTRAL ZONE



①
 E/2 - SECTION 19 - BLOCK 17
 320.35 ACRES
 UNIVERSITY LAND
 A - U58
 UL LEASE
 #111459

②
 E/2 - SECTION 20 - BLOCK 17
 326.34 ACRES
 UNIVERSITY LAND
 A - U59
 UL LEASE
 #111460



OPERATOR: FELIX ENERGY HOLDINGS II, LLC

WELL NAME: UL LOVELAND 1920-17 **WELL NO:** 7H

TOPOGRAPHIC & VEGETATION: FLAT LOCATION WITH LOW LYING BRUSH

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

BEST ACCESSIBILITY TO LOCATION: FROM NORTH

DISTANCE & DIRECTION

FROM HWY JCT OR TOWN: ±2.4 MILES NORTHWEST OF PYOTE, TX
 FROM THE INTERSECTION OF HIGHWAY 247 AND RANCH ROAD 2355 TRAVEL ±3.1 MILES, TURN RIGHT ON EXISTING LEASE ROAD, TRAVEL ±0.1 MILES, TURN RIGHT ON EXISTING LEASE ROAD TRAVEL ±0.8 MILES, TURN RIGHT ON PROPOSED LEASE ROAD TRAVEL 214 FEET TO WELL PAD.

WELL PATH DATA

LINE	BEARING	DISTANCE
S.H.L. TO P.O.P./F.T.P.	S 40° 13' 10" E	927.70'
P.O.P./F.T.P. TO L.T.P.	S 16° 16' 30" E	10,274.88'
L.T.P. TO B.H.L.	S 16° 16' 30" E	125.00'

CALLS FROM SECTION LINE

S.H.L.	648' FSL, 2,076' FEL (SEC. 18)
P.O.P./F.T.P.	200' FNL, 1,699' FEL (SEC. 19)
L.T.P.	200' FSL, 1,698' FEL (SEC. 20)
B.H.L.	75' FSL, 1,698' FEL (SEC. 20)

SURFACE HOLE LOCATION:

648' FSL & 2,076' FEL (SEC. 18)
 GROUND ELEVATION: 2,644.69'
NAD 27 TEXAS CENTRAL ZONE
 NORTHING: 697609.71, EASTING: 1119044.57
 LATITUDE: N 31.55400601°, LONGITUDE: W 103.16182121°
NAD 83 TEXAS CENTRAL ZONE
 NORTHING: 10540185.22, EASTING: 1415510.48
 LATITUDE: N 31.55413872°, LONGITUDE: W 103.16226179°

POINT OF PENETRATION/FIRST TAKE POINT:

200' FNL & 1,699' FEL (SEC. 19)
NAD 27 TEXAS CENTRAL ZONE
 NORTHING: 696901.35, EASTING: 1119643.59
 LATITUDE: N 31.55210104°, LONGITUDE: W 103.15984100°

LAST TAKE POINT:

200' FSL & 1,698' FEL (SEC. 20)
NAD 27 TEXAS CENTRAL ZONE
 NORTHING: 687038.33, EASTING: 1122522.99
 LATITUDE: N 31.52519462°, LONGITUDE: W 103.14979865°

BOTTOM HOLE LOCATION:

75' FSL & 1,698' FEL (SEC. 20)
NAD 27 TEXAS CENTRAL ZONE
 NORTHING: 686918.34, EASTING: 1122558.02
 LATITUDE: N 31.52486728°, LONGITUDE: W 103.14967651°

UNIT CORNERS

LOCATION	NAD27	
	STATE PLANE TEXAS CENTRAL (32039)	GEOGRAPHIC (4267)
NW CORNER UNIT	N = 696829.78 E = 1118685.25	LAT: 31.55183738° LONG: -103.16291068°
NE CORNER 19-17	N = 697569.76 E = 1121218.65	LAT: 31.55404800° LONG: -103.15484062°
SE CORNER 20-17	N = 687322.41 E = 1124209.11	LAT: 31.52609263° LONG: -103.14441197°
SW CORNER UNIT	N = 686582.83 E = 1121676.74	LAT: 31.52388381° LONG: -103.15247667°



CONTACT INFORMATION:

Shannon D. Ozment
 Crafton Tull (10193715)
 1000 LedgeLawn Dr.
 Conway, AR 72034

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. - 0.999501658
- 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.

1000 LedgeLawn Dr
 Conway, Arkansas 72034



501.328.3316 f 501.328.3325 f
 www.craftontull.com

REVISION	DATE	DESCRIPTION

"UL LOVELAND 1920-17 7H"

E/2 SECTION 19, BLOCK 17 - 320.35 ACRES
 E/2 SECTION 20, BLOCK 17 - 326.34 ACRES
 PROPOSED DRILL SITE
 WARD COUNTY, TEXAS

SCALE: 1" = 2000'
 PLOT DATE: 06-06-2018

CHECKED BY:
 DRAWN BY:

LG
 HFD

APPROVED BY: A.LILEY
 SHEET NO.: 1 OF 1

