

API No. <u>42-475-38137</u> Drilling Permit # <u>863224</u> SWR Exception Case/Docket No. <u>0326369 (R37)</u>	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. 617484	2. Operator's Name (as shown on form P-5, Organization Report) OASIS PETROLEUM PERMIAN LLC	3. Operator Address (include street, city, state, zip): 1001 FANNIN STREET STE 1500 HOUSTON, TX 77002-0000
4. Lease Name UL JEFF D 17-34-5	5. Well No. 4H	

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 12600	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>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 34	16. Block 17	17. Survey UL	18. Abstract No. A-U73	19. Distance to nearest lease line: 1 ft.
20. Number of contiguous acres in lease, pooled unit, or unitized tract: 961.05				
21. Lease Perpendiculars: <u>75</u> ft from the <u>E</u> line and <u>740</u> ft from the <u>S</u> line.				
22. Survey Perpendiculars: <u>75</u> ft from the <u>EAST</u> line and <u>740</u> ft from the <u>SOUTH</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
08	71052900	PHANTOM (WOLFCAMP)	Oil or Gas Well	12600	1.00	15

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

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="text-align: right;"> <u>Daniel Busch</u> <u>Apr 02, 2020</u> Name of filer Date submitted </div> <div style="text-align: right;"> <u>(713)770-6473</u> <u>dbusch@oasispetroleum.com</u> Phone E-mail Address (OPTIONAL) </div>
RRC Use Only Data Validation Time Stamp: <u>Apr 7, 2020 12:19 PM(Current Version)</u>	

**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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Permit # **863224**
Approved Date: **Apr 07, 2020**

1. RRC Operator No. 617484	2. Operator's Name (exactly as shown on form P-5, Organization Report) OASIS PETROLEUM PERMIAN LLC	3. Lease Name UL JEFF D 17-34-5	4. Well No. 4H
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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 5	7. Block 18	8. Survey UL / A-U84	9. Abstract	10. County of BHL WARD
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11. Terminus Lease Line Perpendiculars 100 ft. from the West line. and 2178 ft. from the South line
12. Terminus Survey Line Perpendiculars 100 ft. from the West line. and 2178 ft. from the South line
13. Penetration Point Lease Line Perpendiculars 75 ft. from the East line. and 740 ft. from the South line

Permit Status: **Approved**

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**RAILROAD COMMISSION OF TEXAS
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APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

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W-1 Comments

Permit # **863224**

Approved Date: **Apr 07, 2020**

[Apr 2, 2020 11:02 AM]: Commission Staff expresses no opinion as to whether a 100% ownership interest in each of the leases alone or in combination with a "production sharing agreement" confers the right to drill across lease/unit lines or whether a pooling agreement is also required. However, until that issue is directly addressed and ruled upon by a Texas court of competent jurisdiction it appears that a 100% interest in each of the leases and a production sharing agreement constitute a sufficient colorable claim to the right to drill a horizontal well as proposed to authorize the removal of the regulatory bar and the issuance of a drilling permit by the Commission, assuming the proposed well is in compliance with all other relevant Commission requirements.

Issuance of the permit is not an endorsement or approval of the applicant's stated method of allocating production proceeds among component leases or units. All production must be reported to the Commission as production from the lease or pooled unit on which the wellhead is located and reported production volume must be determined by actual measurement of hydrocarbon volumes prior to leaving that tract and may not be based on allocation or estimation. Payment of royalties is a contractual matter between the lessor and lessee. Interpreting the leases and determining whether the proposed proceeds allocation comports with the relevant leases is not a matter within Commission jurisdiction but a matter for the parties to the lease and, if necessary, a Texas court of competent jurisdiction.

The foregoing statements are not, and should not be construed as, a final opinion or decision of the Railroad Commission.; [RRC STAFF Apr 3, 2020 3:27 PM]: Off-lease surface checked per plat.; [RRC STAFF Apr 3, 2020 3:28 PM]: Distance to nearest lease line changed from 100' to 1' to per plat and allocation well bore profile.; [RRC STAFF Apr 3, 2020 3:28 PM]: Well count changed from 13 to 12 per P16 and RRC records.; [RRC STAFF Apr 3, 2020 3:39 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Apr 6, 2020 1:46 PM]: Problems identified with this permit are resolved.; [RRC STAFF Apr 6, 2020 1:50 PM]: Revised P16 has been attached.; [RRC STAFF Apr 6, 2020 3:55 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Apr 7, 2020 11:13 AM]: Problems identified with this permit are resolved.; [RRC STAFF Apr 7, 2020 11:13 AM]: Daniel Busch sent revised P16; [RRC STAFF Apr 7, 2020 11:13 AM]: WELL COUNT CORRECTED PER RRC RECORDS.; [RRC STAFF Apr 7, 2020 11:13 AM]: SHL UNMARKED AS OFF-LEASE. PLAT SHOWS IT ON LEASE. LL CALLS ENTERED ON W1 PER PLAT.; [RRC STAFF Apr 7, 2020 11:13 AM]: All wells being permitted in this group shown on P-16. Well count on W-1 reflects order of submittal.

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

WARD (475) County

Formation	Remarks	Geological Order	Effective Date
RUSTLER		1	02/09/2020
YATES		2	02/09/2020
SEVEN RIVERS		3	02/09/2020
QUEEN		4	02/09/2020
CAPITAN REEF	high flows	5	02/09/2020
SAN ANDRES	high flows, H2S, corrosive	6	02/09/2020
DELAWARE		7	02/09/2020
GLORIETA		8	02/09/2020
HOLT		9	02/09/2020
CLEARFORK		10	02/09/2020
TUBB		11	02/09/2020
CHERRY CANYON		12	02/09/2020
BONE SPRING		13	02/09/2020
WICHITA ALBANY		14	02/09/2020
WOLFCAMP		15	02/09/2020
PENNSYLVANIAN		16	02/09/2020
ATOKA		17	02/09/2020
DEVONIAN		18	02/09/2020
FUSSELMAN		19	02/09/2020
MONTOYA		20	02/09/2020
WADDELL		21	02/09/2020
ELLENBURGER		22	02/09/2020
PRECAMBRIAN (UNDIFFERENTIATED)		23	02/09/2020

The above list may not be all inclusive, and may also include formations that do not intersect all wellbores. The listing order of the Formation information reflects the general stratigraphic order and relative geologic age. 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>

GROUNDWATER PROTECTION DETERMINATION

Form GW-2



Groundwater Advisory Unit

Date Issued: 07 April 2020 **GAU Number:** 273703

Attention:	OASIS PETROLEUM PERMIAN 1001 FANNIN STREET STE HOUSTON, TX 77002	API Number:	
Operator No.:	617484	County:	WARD
		Lease Name:	UL Jeff D 17-34-5
		Lease Number:	
		Well Number:	4H
		Total Vertical Depth:	12600
		Latitude:	31.602438
		Longitude:	-103.208787
		Datum:	NAD27

Purpose: New Production Well
Location: Survey-University Land; Block-17; Section-34

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 950 feet, must be protected.

This recommendation is applicable to all wells within a radius of 200 feet of this location.

Please send Gamma/Porosity log of this well when it is available.

Note: Unless stated otherwise, this recommendation is intended to apply only to the subject well and not for area-wide use. Unless stated otherwise, this recommendation is for normal drilling, production, and plugging operations only.

This determination is based on information provided when the application was submitted on 04/02/2020. 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.

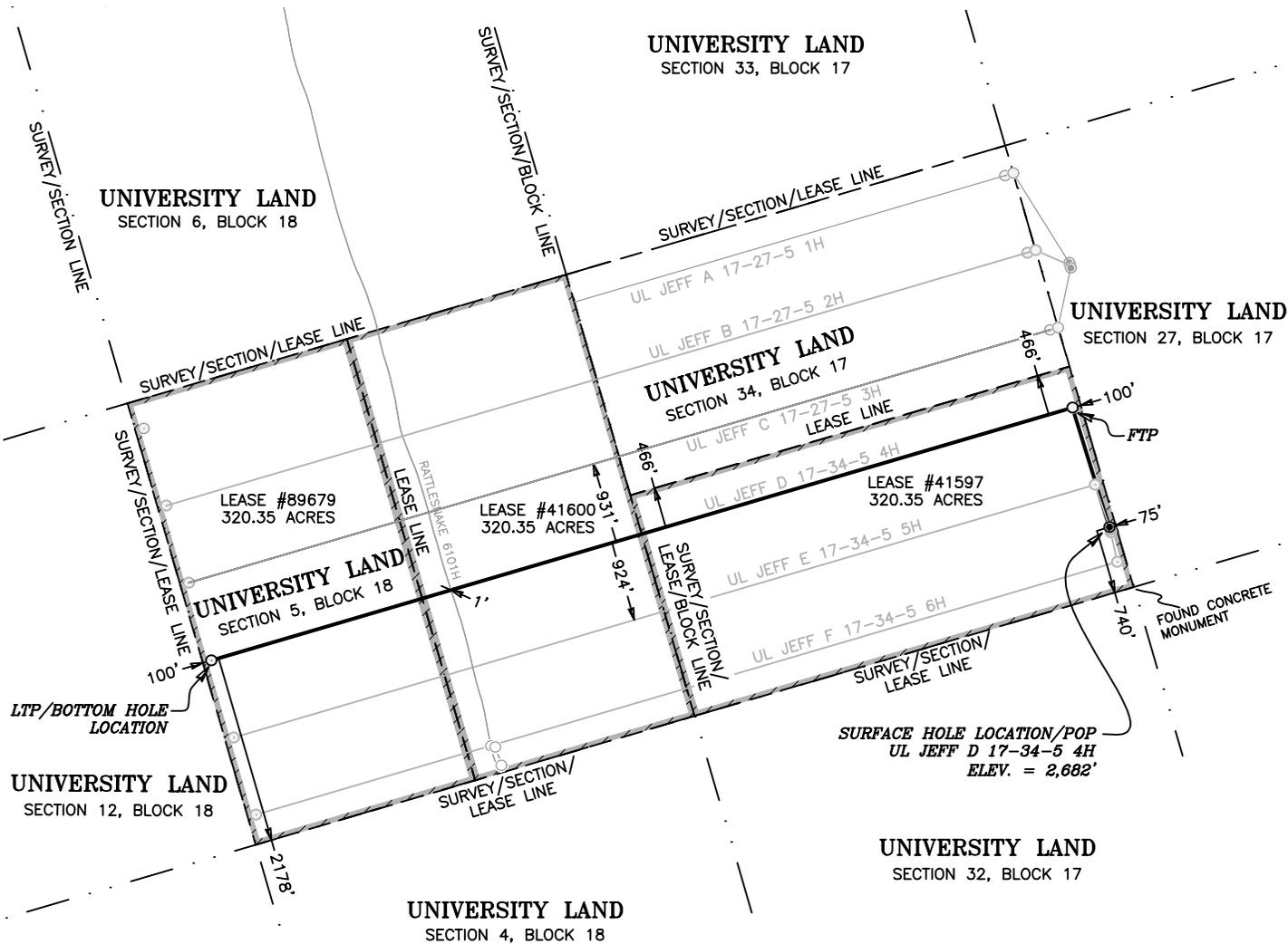
Groundwater Advisory Unit, Oil and Gas Division

Form GW-2 P.O. Box 12967 Austin, Texas 78771-2967 512-463-2741 Internet address: www.rrc.texas.gov
Rev. 02/2014

LEASE #	CALLED ACREAGE	LATERAL LENGTH
41597	320.35	5181.12
41600	320.35	2639.49'
89679	320.35	2539.49'
TOTAL	961.05	10360.10'



0 1000' 2000'
1" = 2000 FEET



LEGEND

—— SURVEY LINE
- - - - LEASE LINE

GENERAL NOTES

- COORDINATES SHOWN ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM OF NAD 27, TEXAS CENTRAL ZONE, 4203.
- VERTICAL DATUM IS NAVD 88
- LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
- AREA, DISTANCES, AND COORDINATES ARE "GRID".
- UNITS ARE UNITED STATES SURVEY FOOT.
- ALL LEASE AND TRACT INFORMATION SHOWN HERE ON IS DONE SO BY LIMITED DEED RECORD INFORMATION ONLY.
- ALL ACREAGES SHOWN ARE BY DEED AND LEASE CALL, EXCEPT WHERE NOTED.
- THIS IS NOT IN ANY WAY A "BOUNDARY SURVEY".

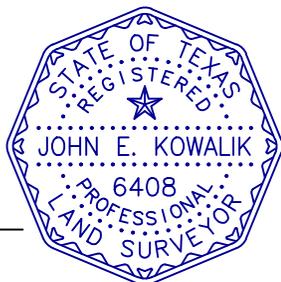
WELL LOCATION INFORMATION:

SURFACE HOLE LOCATION/POP: NAD 83, TEXAS CENTRAL ZONE COORD'S Y = 10,558,171.90, X = 1,401,341.12 LAT: N 31.60257°, LONG: W 103.20923° SHL: 75' FEL & 740' FSL SHL: 75' FELL & 740' FSLL	LTP/BOTTOM HOLE LOCATION: NAD 83, TEXAS CENTRAL ZONE COORD'S Y = 10,556,639.22, X = 1,390,969.90 LAT: N 31.59762°, LONG: W 103.24240° BHL: 100' FWL & 2178' FSL BHL: 100' FWLL & 2178' FSLL
NAD 27, TEXAS CENTRAL ZONE COORD'S Y = 715,596.33, X = 1,104,876.11 LAT: N 31.60244°, LONG: W 103.20878°	NAD 27, TEXAS CENTRAL ZONE COORD'S Y = 714,063.65, X = 1,094,505.04 LAT: N 31.59749°, LONG: W 103.24196°
FIRST TAKE POINT: NAD 83, TEXAS CENTRAL ZONE COORD'S Y = 10,559,545.38, X = 1,400,914.18 LAT: N 31.60632°, LONG: W 103.21071° FT: 100' FELL & 466' FNLL	
NAD 27, TEXAS CENTRAL ZONE COORD'S Y = 716,969.80, X = 1,104,449.19 LAT: N 31.60619°, LONG: W 103.21027°	

I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT SURFACE LOCATION AS STAKED ON THE GROUND.

John Kowalik

JOHN E. KOWALIK
REGISTERED PROFESSIONAL LAND SURVEYOR
STATE OF TEXAS NO. 6408



PLAT OF:

A PROPOSED WELL LOCATION FOR:
OASIS PETROLEUM PERMIAN LLC.
UL JEFF D 17-34-5 4H

SITUATED IN THE UNIVERSITY LANDS SURVEY, SECTION 5, BLOCK 18, THE UNIVERSITY LANDS SURVEY, SECTION 34, BLOCK 17, AND BEING APPROXIMATELY 7.9 MILES NORTHWEST OF PYOTE IN WARD COUNTY, TEXAS.

DATE: 03-20-2020
DRAWN BY: MM
CHECKED BY: JK
FIELD CREW: MB
PROJECT NO: 2020030638
SCALE: 1" = 2000'
SHEET: 1
REVISION:



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