

API No. <u>42-495-30460</u> Drilling Permit # <u>804023</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 Permit Status: Approved	
1. RRC Operator No. <div style="text-align: center;">945368</div>		2. Operator's Name (as shown on form P-5, Organization Report) <div style="text-align: center;">WYCO OIL & GAS LLC</div>			3. Operator Address (include street, city, state, zip) <div style="text-align: center;">PO BOX 12367 ODESSA, TX 79768-2367</div>		
4. Lease Name <div style="text-align: center;">UNIVERSITY 21-34</div>			5. Well No. <div style="text-align: center;">1</div>				
GENERAL INFORMATION							
6. Purpose of filing (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input type="checkbox"/> New Drill <input checked="" type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input type="checkbox"/> Re-Enter </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL)(Also File Form W-1D) </div>							
7. Wellbore Profile (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <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 </div>							
8. Total Depth <div style="text-align: center;">17760</div>		9. Do you have the right to develop the minerals under any right-of-way? <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div>		10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </div>			
SURFACE LOCATION AND ACREAGE INFORMATION							
11. RRC District No. <div style="text-align: center;">08</div>		12. County <div style="text-align: center;">WINKLER</div>		13. Surface Location <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input checked="" type="checkbox"/> Land <input type="checkbox"/> Bay/Estuary <input type="checkbox"/> Inland Waterway <input type="checkbox"/> Offshore </div>			
14. This well is to be located <u>3.84</u> miles in a <u>SW</u> direction from <u>Wink</u> which is the nearest town in the county of the well site.							
15. Section <div style="text-align: center;">34</div>	16. Block <div style="text-align: center;">21</div>	17. Survey <div style="text-align: center;">UL</div>	18. Abstract No. <div style="text-align: center;">U74</div>	19. Distance to nearest lease line: <div style="text-align: center;">104.35 ft.</div>	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <div style="text-align: center;">1.0</div>		
21. Lease Perpendiculars: <u>104.35</u> ft. from the <u>NORTH</u> line and <u>104.35</u> ft. from the <u>EAST</u> line. 22. Survey Perpendiculars: <u>1320.0</u> ft. from the <u>NORTH</u> line and <u>1320.0</u> ft. from the <u>EAST</u> line.							
23. Is this a pooled unit? <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div>		24. Unitization Docket No: _____		25. Are you applying for Substandard Acreage Field? <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input type="checkbox"/> Yes (attach Form W-1A) <input checked="" type="checkbox"/> No </div>			
FIELD INFORMATION List all fields of anticipated completion including Wildcat. List one zone per line.							
26. RRC District No. <div style="text-align: center;">08</div>	27. Field No. <div style="text-align: center;">53990333</div>	28. Field Name (exactly as shown in RRC records) <div style="text-align: center;">LITTLE JOE, E. (DELAWARE 5015)</div>	29. Well Type <div style="text-align: center;">Injection Well</div>	30. Completion Depth <div style="text-align: center;">4996</div>	31. Distance to Nearest Well in this Reservoir <div style="text-align: center;">0.0</div>	32. Number of Wells on this lease in this Reservoir <div style="text-align: center;">1</div>	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
Remarks [FILER 02/23/2015 09:00:56 AM]: Originally completed by Monsanto as a dry hole in January 1977, re-entered and completed as Apollo (Morrow) by Noble Operating in May 2008. WYCO plans to plugback and re-complete as salt water disposal in Upper Delaware.;				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> RRC User _____ Name of filer _____ _____ Phone _____ </div> <div> 02/23/2015 _____ Date Submitted _____ _____ Email Address(OPTIONAL) _____ </div> </div>			
RRC Use Only Date Validation Time Stamp: Tue, 17 Mar 2015 18:56:58							

**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION**

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

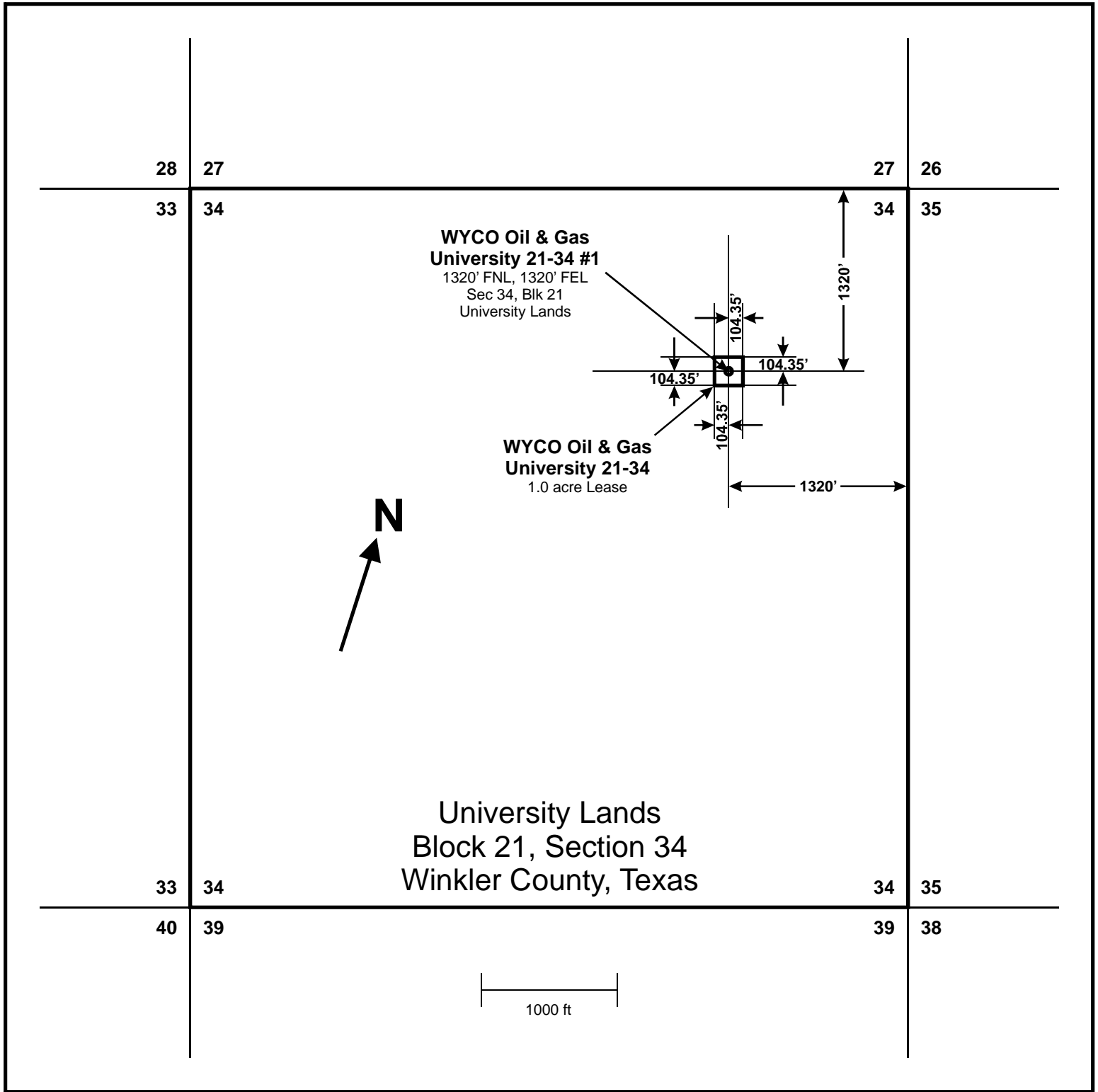
PERMIT NUMBER <div style="text-align: right;">804023</div>	DATE PERMIT ISSUED OR AMENDED <div style="text-align: center;">Feb 24, 2015</div>	DISTRICT <div style="text-align: center;">* 08</div>																					
API NUMBER <div style="text-align: right;">42-495-30460</div>	FORM W-1 RECEIVED <div style="text-align: center;">Feb 23, 2015</div>	COUNTY <div style="text-align: center;">WINKLER</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;">1</div>																					
OPERATOR <div style="text-align: right;">945368</div> <div style="text-align: center;">WYCO OIL & GAS LLC PO BOX 12367 ODESSA, TX 79768-2367</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 21-34</div>		WELL NUMBER <div style="text-align: center;">1</div>																					
LOCATION <div style="text-align: center;">3.84 miles SW direction from WINK</div>		TOTAL DEPTH <div style="text-align: center;">17760</div>																					
Section, Block and/or Survey <div style="display: flex; justify-content: space-between;"> <div>SECTION ◀ 34</div> <div>BLOCK ◀ 21</div> <div>ABSTRACT ◀ U74</div> </div> <div style="display: flex; justify-content: space-between;"> <div>SURVEY ◀ UL</div> <div></div> <div></div> </div>																							
DISTANCE TO SURVEY LINES <div style="text-align: center;">1320 ft. NORTH 1320 ft. EAST</div>		DISTANCE TO NEAREST LEASE LINE <div style="text-align: center;">104.35 ft.</div>																					
DISTANCE TO LEASE LINES <div style="text-align: center;">104.35 ft. NORTH 104.35 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-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">FIELD NAME LEASE NAME</th> <th style="text-align: center;">ACRES NEAREST LEASE</th> <th style="text-align: center;">DEPTH</th> <th style="text-align: center;">WELL # NEAREST WE</th> <th style="text-align: center;">DIST</th> </tr> </thead> <tbody> <tr> <td colspan="5"><hr style="border-top: 1px dashed black;"/></td> </tr> <tr> <td>LITTLE JOE, E. (DELAWARE 5015)</td> <td style="text-align: center;">1.00</td> <td style="text-align: center;">4,996</td> <td style="text-align: center;">1</td> <td style="text-align: center;">08</td> </tr> <tr> <td>UNIVERSITY 21-34</td> <td style="text-align: center;">104.35</td> <td></td> <td style="text-align: center;">0</td> <td></td> </tr> </tbody> </table>				FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH	WELL # NEAREST WE	DIST	<hr style="border-top: 1px dashed black;"/>					LITTLE JOE, E. (DELAWARE 5015)	1.00	4,996	1	08	UNIVERSITY 21-34	104.35		0	
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LITTLE JOE, E. (DELAWARE 5015)	1.00	4,996	1	08																			
UNIVERSITY 21-34	104.35		0																				
RESTRICTIONS: Do not use this well for injection/disposal/hydrocarbon storage purposes without approval by the Environmental Services section of the Railroad Commission, Austin, Texas office. 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.																							
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 & GAS DIVISION
SWR #13 Formation Data

WINKLER (495) County

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
RUSTLER	725	725	possible flow; possible usable quality water	1	12/17/2013
COLBY-QUEEN	2,900	3,200		2	12/17/2013
YATES	2,280	3,200		3	12/17/2013
QUEEN-SEVEN RIVERS	2,700	3,400		4	12/17/2013
SAN ANDRES	3,600	4,400	high flows, H2S, corrosive	5	12/17/2013
HOLT	4,500	4,800		6	12/17/2013
DELAWARE	4,300	5,000		7	12/17/2013
GLORIETA	4,900	5,600		8	12/17/2013
CLEARFORK	4,750	6,200		9	12/17/2013
WICHITA ALBANY	6,600	6,850		10	12/17/2013
BRUSHY CANYON	7,300	7,300		11	12/17/2013
CHERRY CANYON	6,000	7,800		12	12/17/2013
CANYON	8,400	8,400		13	12/17/2013
BONE SPRINGS	9,000	9,800		14	12/17/2013
MONTOYA	10,300	10,300		15	12/17/2013
WADDELL	11,000	11,000		16	12/17/2013
WOLFCAMP	7,600	12,400		17	12/17/2013
ATOKA	12,900	12,900		18	12/17/2013
STRAWN	8,100	14,800		19	12/17/2013
PENNSYLVANIAN	8,000	15,500		20	12/17/2013
MISSISSIPPIAN	10,200	17,300		21	12/17/2013
DEVONIAN	7,900	17,800		22	12/17/2013
SILURIAN	8,500	18,000		23	12/17/2013
FUSSELMAN	9,700	18,800		24	12/17/2013
ELLENBURGER	9,500	21,400		25	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>



Operator: WYCO Oil & Gas LLC
Lease Name: University 21-34
Well Number: 1

Well Location Legal Description:
1320' FNL, 1320' FEL, Section 34, Block 21, University Lands Survey, Winkler County, Texas

I hereby certify that the above is true and correct to the best of my knowledge and belief.


Kevin A. Myers, Consulting Engineer

February 22, 2015
Date