

API No. <u>42-003-01639</u> Drilling Permit # <u>824831</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	
1. RRC Operator No. <div style="text-align: center;">333762</div>		2. Operator's Name (as shown on form P-5, Organization Report) <div style="text-align: center;">GREYSTONE PETROLEUM, LLC</div>		3. Operator Address (include street, city, state, zip): <div style="text-align: center;">5555 E 71ST ST STE 8350 TULSA, OK 74136-0000</div>			
4. Lease Name <div style="text-align: center;">TEXAS MMM</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;">12600</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 checked="" type="checkbox"/> Yes <input 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;">ANDREWS</div>		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>10.9</u> miles in a <u>SW</u> direction from <u>Andrews</u> which is the nearest town in the county of the well site.							
15. Section <div style="text-align: center;">20</div>		16. Block <div style="text-align: center;">9</div>		17. Survey <div style="text-align: center;">UL</div>		18. Abstract No. <div style="text-align: center;">A-U256</div>	
				19. Distance to nearest lease line: <div style="text-align: center;">659 ft. </div>		20. Number of contiguous acres in lease, pooled unit, or unitized tract: <div style="text-align: center;">160</div>	
21. Lease Perpendiculars: <u>700</u> ft from the <u>NORTH</u> line and <u>659</u> ft from the <u>EAST</u> line.							
22. Survey Perpendiculars: <u>1979</u> ft from the <u>SOUTH</u> line and <u>659</u> ft from the <u>EAST</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	28899166	EMMA (DEVONIAN)		Oil Well	10900	0.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
Remarks [RRC STAFF Mar 27, 2017 3:21 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Mar 31, 2017 1:45 PM]: Problems identified with this permit are resolved.; [RRC STAFF Mar 31, 2017 1:45 PM]: Revised plat attached.; [RRC STAFF Apr 3, 2017 8:46 AM]: Changed coordinates to match plat. Moved well mapped with 15 to coordinate location. Arial photography verifies the location.				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>Fred Laeger, Completions Manager</u> Name of filer <u>(918)520-8148</u> Phone </div> <div> <u>Mar 27, 2017</u> Date submitted <u>fred.laeger@greystone.bz</u> E-mail Address (OPTIONAL) </div> </div>			
RRC Use Only Data Validation Time Stamp: Apr 3, 2017 9:40 AM(Current Version)							

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;">824831</div>	DATE PERMIT ISSUED OR AMENDED <div style="text-align: center;">Apr 03, 2017</div>	DISTRICT <div style="text-align: center;">* 08</div>																									
API NUMBER <div style="text-align: right;">42-003-01639</div>	FORM W-1 RECEIVED <div style="text-align: center;">Mar 27, 2017</div>	COUNTY <div style="text-align: center;">ANDREWS</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;">160</div>																									
OPERATOR <div style="text-align: right;">333762</div> <div style="text-align: center;">GREYSTONE PETROLEUM, LLC</div> <div style="text-align: center;">5555 E 71ST ST STE 8350</div> <div style="text-align: center;">TULSA, OK 74136-0000</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;">TEXAS MMM</div>		WELL NUMBER <div style="text-align: center;">1</div>																									
LOCATION <div style="text-align: center;">10.9 miles SW direction from ANDREWS</div>		TOTAL DEPTH <div style="text-align: center;">12600</div>																									
Section, Block and/or Survey SECTION ◀ 20 BLOCK ◀ 9 ABSTRACT ◀ U256 SURVEY ◀ UL																											
DISTANCE TO SURVEY LINES <div style="text-align: center;">1979 ft. SOUTH 659 ft. EAST</div>		DISTANCE TO NEAREST LEASE LINE <div style="text-align: center;">659 ft.</div>																									
DISTANCE TO LEASE LINES <div style="text-align: center;">700 ft. NORTH 659 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</th> <th style="text-align: center;">ACRES</th> <th style="text-align: center;">DEPTH</th> <th style="text-align: center;">WELL #</th> <th style="text-align: center;">DIST</th> </tr> <tr> <th style="text-align: left;">LEASE NAME</th> <th style="text-align: center;">NEAREST LEASE</th> <th></th> <th style="text-align: center;">NEAREST WE</th> <th></th> </tr> </thead> <tbody> <tr> <td colspan="5"><hr style="border-top: 1px dashed black;"/></td> </tr> <tr> <td>EMMA (DEVONIAN)</td> <td style="text-align: center;">160.00</td> <td style="text-align: center;">10,900</td> <td style="text-align: center;">1</td> <td style="text-align: center;">08</td> </tr> <tr> <td>TEXAS MMM</td> <td style="text-align: center;">659</td> <td></td> <td style="text-align: center;">0</td> <td></td> </tr> </tbody> </table>			FIELD NAME	ACRES	DEPTH	WELL #	DIST	LEASE NAME	NEAREST LEASE		NEAREST WE		<hr style="border-top: 1px dashed black;"/>					EMMA (DEVONIAN)	160.00	10,900	1	08	TEXAS MMM	659		0	
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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.																											
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**

ANDREWS (003) County

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
YATES	2,500	3,200		1	12/17/2013
SEVEN RIVERS	3,000	3,000		2	12/17/2013
QUEEN	3,600	4,800		3	12/17/2013
GRAYBURG	3,100	5,000		4	12/17/2013
SAN ANDRES	3,700	5,300	CO2 flood, high flows, H2S, corrosive	5	12/17/2013
HOLT	5,000	5,500		6	12/17/2013
GLORIETA	5,100	6,000		7	12/17/2013
TUBB	6,100	6,300		8	12/17/2013
CLEARFORK	5,600	7,600		9	12/17/2013
PERMIAN DETRITAL	7,800	7,900		10	12/17/2013
LEON	7,900	7,900		11	12/17/2013
WICHITA ALBANY	6,500	8,100		12	12/17/2013
SPRABERRY	7,300	8,600		13	12/17/2013
DEAN	9,200	9,500		14	12/17/2013
WOLFCAMP	7,500	9,900		15	12/17/2013
CANYON	8,600	10,200		16	12/17/2013
PENNSYLVANIAN	8,700	10,200		17	12/17/2013
MCKEE	8,300	10,600		18	12/17/2013
STRAWN	8,800	11,000		19	12/17/2013
FUSSELMAN	8,400	11,900		20	12/17/2013
DEVONIAN	7,600	12,500		21	12/17/2013
SILURIAN	8,000	12,500		22	12/17/2013
ELLENBURGER	7,900	13,900		23	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>

GREYSTONE PETROLEUM, LLC

LEASE NAME & WELL NO.:

TEXAS MMM #1

TOPOGRAPHY & VEGETATION:

NATURAL MESQUITE PASTURE

NEAREST TOWN IN COUNTY:

±10.63 MILES SOUTHWEST OF ANDREWS, TEXAS

DESCRIPTION:

SECTION 20, BLOCK 9, UNIVERSITY LANDS SURVEY

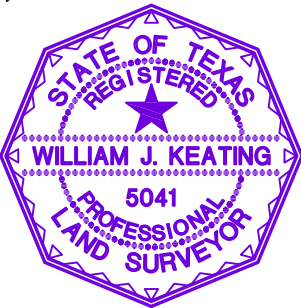
ANDREWS COUNTY, TEXAS

SPECIAL NOTES:

Original Document Size: 8.5"x14"
All Coordinates are in NAD 27 TX-NC Zone unless otherwise noted.

CERTIFICATION:

This well location shown on this permit plat was surveyed on the ground under my direct supervision. This plat is for Texas Railroad Commission permit purpose only and should not be considered a boundary survey.



William J. Keating
Texas Reg. No. 5041



2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
WWW.TOPOGRAPHIC.COM

Texas FIRM Registration NO. 10042500

LO_Texas_MMM_1

Surface Hole Location:

1979' FSL & 659' FEL
SHL Ground Elevation: 3180'
NAD 27 TX-NC ZONE
X = 422137
Y = 222114
LAT.: N 32.1718722
LONG.: W 102.6010987
NAD 83 TX-NC ZONE
X = 699673
Y = 6770283
LAT.: N 32.1719822
LONG.: W 102.6015331

LEGEND		Section Line
		Block Line
		Abstract Line
		Tract Line
		Lease Road
		County Road
		Unit/Lease Boundary
		Found Monument
		Set 1/2" Rebar w/cap
		Calculated Corner

Scale: 1"=1000' Surveyed: 03/28/17

COGO: 726-44138

Revision: () / /

Drawn By: MR; 03/29/2017

