

API No. <u>42-003-46904</u> Drilling Permit # <u>798968</u> SWR Exception Case/Docket No. <u>0297606 (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 Permit Status: Approved	
1. RRC Operator No. <div style="text-align: center;">333767</div>		2. Operator's Name (as shown on form P-5, Organization Report) <div style="text-align: center;">GREYSTONE OIL & GAS, LLP</div>			3. Operator Address (include street, city, state, zip) <div style="text-align: center;">1616 S VOSS RD STE 400 HOUSTON, TX 77057-0000</div>		
4. Lease Name <div style="text-align: center;">UNIVERSITY 31</div>			5. Well No. <div style="text-align: center;">1H</div>				
GENERAL INFORMATION							
6. Purpose of filing (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input checked="" type="checkbox"/> New Drill <input 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 checked="" 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 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 </div>							
8. Total <div style="text-align: center;">10600</div>		9. Do you have the right to develop minerals under any right-of- <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input checked="" type="checkbox"/> Yes <input 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;">ANDREWS</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>13.3</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;">31</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;">U267</div>	19. Distance to nearest lease line: <div style="text-align: center;">76.0 ft.</div>	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <div style="text-align: center;">241.54</div>		
21. Lease Perpendiculars: <u>300.0</u> ft. from the <u>SOUTH</u> line and <u>330.0</u> ft. from the <u>EAST</u> line. 22. Survey Perpendiculars: <u>300.0</u> ft. from the <u>SOUTH</u> line and <u>2309.0</u> ft. from the <u>WEST</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;">28899166</div>	28. Field Name (exactly as shown in RRC records) <div style="text-align: center;">EMMA (DEVONIAN)</div>	29. Well Type <div style="text-align: center;">Oil Well</div>	30. Completion Depth <div style="text-align: center;">10600</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							
<u>Remarks</u> See attached				<u>Certificate:</u> 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> 07/27/2015 Date Submitted _____ Email Address(OPTIONAL) </div> </div>			
RRC Use Only				Date Validation Time Stamp: Mon, 3 Aug 2015 09:54:23			

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-

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Supplemental Horizontal Well Information

Permit # 798968
Approved Date: 07/31/2015

1. RRC Operator No. 333767	2. Operator's Name (as shown on form P-5, Organization Report) GREYSTONE OIL & GAS, LLP	3. Lease Name UNIVERSITY 31	4 Well No. 1H
Lateral Drainhole Location Information			
5. Field as shown on Form W-1 EMMA (DEVONIAN) (Field # 28899166, RRC District 08)			
6. Section 31	7. Block 9	8. Survey UL	9. Abstract ANDREWS
11. Terminus Lease Line Perpendiculars 18.0 ft. from the NORTH line and 310.0 ft. from the EAST line 12. Terminus Survey Line Perpendiculars 18.0 ft. from the NORTH line and 2332.0 ft. from the WEST line 13. Penetration Point Lease Line Perpendiculars 296.0 ft. from the SOUTH line and 333.0 ft. from the EAST line			

Permit Status: Approved

RAILROAD COMMISSION OF TEXAS

OIL & GAS DIVISION

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

FORM W-1 Comments

Permit # 798968

Approved Date: 07/31/2015

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[FILER 07/27/2015 05:54:47 PM]: Lease Line Rule 37 due to First Take Point being 76' from North line. Waivers attached. Amending W-1 using As Drilled Plat.; [RRC STAFF 07/29/2015 01:55:30 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF 07/29/2015 02:46:19 PM]: Problems identified with this permit are resolved.; [RRC STAFF 07/30/2015 01:27:00 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF 07/30/2015 03:32:20 PM]: Problems identified with this permit are resolved.; [RRC STAFF 07/30/2015 03:33:07 PM]: Per Rick Johnston: "1. Please change the well count on the pending W-1 to 1. 2. The other well on the lease that was permitted in the Emma (Devonian) Field, the University 9-31 # 1H, 42-003-42472, Permit # 747258. This permit was issued on 9/7/2012 and expired in Sept 2014. 3. The Current correct well count is 1.";

**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 798968	DATE PERMIT ISSUED OR AMENDED (AMENDED) Jul 31, 2015	DISTRICT * 08
API NUMBER 42-003-46904	FORM W-1 RECEIVED Jul 27, 2015	COUNTY ANDREWS
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Horizontal	ACRES 241.54
OPERATOR GREYSTONE OIL & GAS, LLP 1616 S VOSS RD STE 400 HOUSTON, TX 77057-0000		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: (432) 684-5581
LEASE NAME UNIVERSITY 31		WELL NUMBER 1H
LOCATION 13.3 miles SW direction from ANDREWS		TOTAL DEPTH 10600
Section, Block and/or Survey SECTION ◀ 31 BLOCK ◀ 9 ABSTRACT ◀ U267 SURVEY ◀ UL		
DISTANCE TO SURVEY LINES 300 ft. SOUTH 2309 ft. WEST		DISTANCE TO NEAREST LEASE LINE 76 ft.
DISTANCE TO LEASE LINES 300 ft. SOUTH 330 ft. EAST		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below
FIELD(s) and LIMITATIONS: <p style="text-align: center;">* SEE FIELD DISTRICT FOR REPORTING PURPOSES * ** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(B) ** CASE NO. 0297606</p>		
FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST LEASE
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** EMMA (DEVONIAN)	241.54	10,600
UNIVERSITY 31	76	0

WELLBORE PROFILE(s) FOR FIELD: Horizontal		

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. Lateral: TH1 Penetration Point Location Lease Lines: 296.0 F SOUTH L 333.0 F EAST L Terminus Location BH County: ANDREWS Section: 31 Block: 9 Abstract: Survey: UL Lease Lines: 18.0 F NORTH L 310.0 F EAST L Survey Lines: 18.0 F NORTH L 2332.0 F WEST L		
' ** ' PRECEDING FIELD NAME INDICATES RULE (R37) THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS		

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OIL & GAS DIVISION

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FIELD(s) and LIMITATIONS: <p style="text-align: center;">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</p> <p style="text-align: center;">** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(B) **</p> <p style="text-align: center;">CASE NO. 0297606</p>												
<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">FIELD NAME</td> <td style="width: 10%;">ACRES</td> <td style="width: 10%;">DEPTH</td> <td style="width: 10%;">WELL #</td> <td style="width: 10%;">DIST</td> </tr> <tr> <td>LEASE NAME</td> <td>NEAREST LEASE</td> <td></td> <td>NEAREST WE</td> <td></td> </tr> </table> <p>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.</p> <p>Currently there are no identified formations listed for this county. It is still the operators responsibility to isolate and report any potential flow zones that are encountered in the completion of this well.</p>			FIELD NAME	ACRES	DEPTH	WELL #	DIST	LEASE NAME	NEAREST LEASE		NEAREST WE	
FIELD NAME	ACRES	DEPTH	WELL #	DIST								
LEASE NAME	NEAREST LEASE		NEAREST WE									

GREYSTONE OIL & GAS, LLP

LEASE NAME & WELL NO.:

UNIVERSITY 31 #1H "AS-DRILLED"

TOPOGRAPHY & VEGETATION:

NATURAL MESQUITE PASTURE

NEAREST TOWN IN COUNTY:

±13.3 MILES SOUTHWEST OF ANDREWS, TEXAS

DESCRIPTION:

SECTION 31, BLOCK 9, UNIVERSITY LAND
ANDREWS COUNTY, TEXAS

SPECIAL NOTES:

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

CERTIFICATION:
All As-Drilled provided by Greystone Oil & Gas, LLP. This plat is for Texas Railroad Commission permit purpose only and should not be considered a boundary survey.



Signature of 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

Surface Hole Location:

300' FSL & 2309' FWL
SHL Ground Elevation: 3156'
X = 417395 Y = 208469
LAT.: N 32.1337754 LONG.: W 102.6142566
NAD 83 TX-NC ZONE;
X = 695062 Y = 6756594
LAT.: N 32.1338868 LONG.: W 102.6146900

Penetration Point:

296' FSL & 2306' FWL
X = 417394 Y = 208464
LAT.: N 32.1337620 LONG.: W 102.6142616

Last Take Point:

1012' FSL & 2273' FWL
X = 417205 Y = 209156
LAT.: N 32.1356358 LONG.: W 102.6149793

First Take Point:

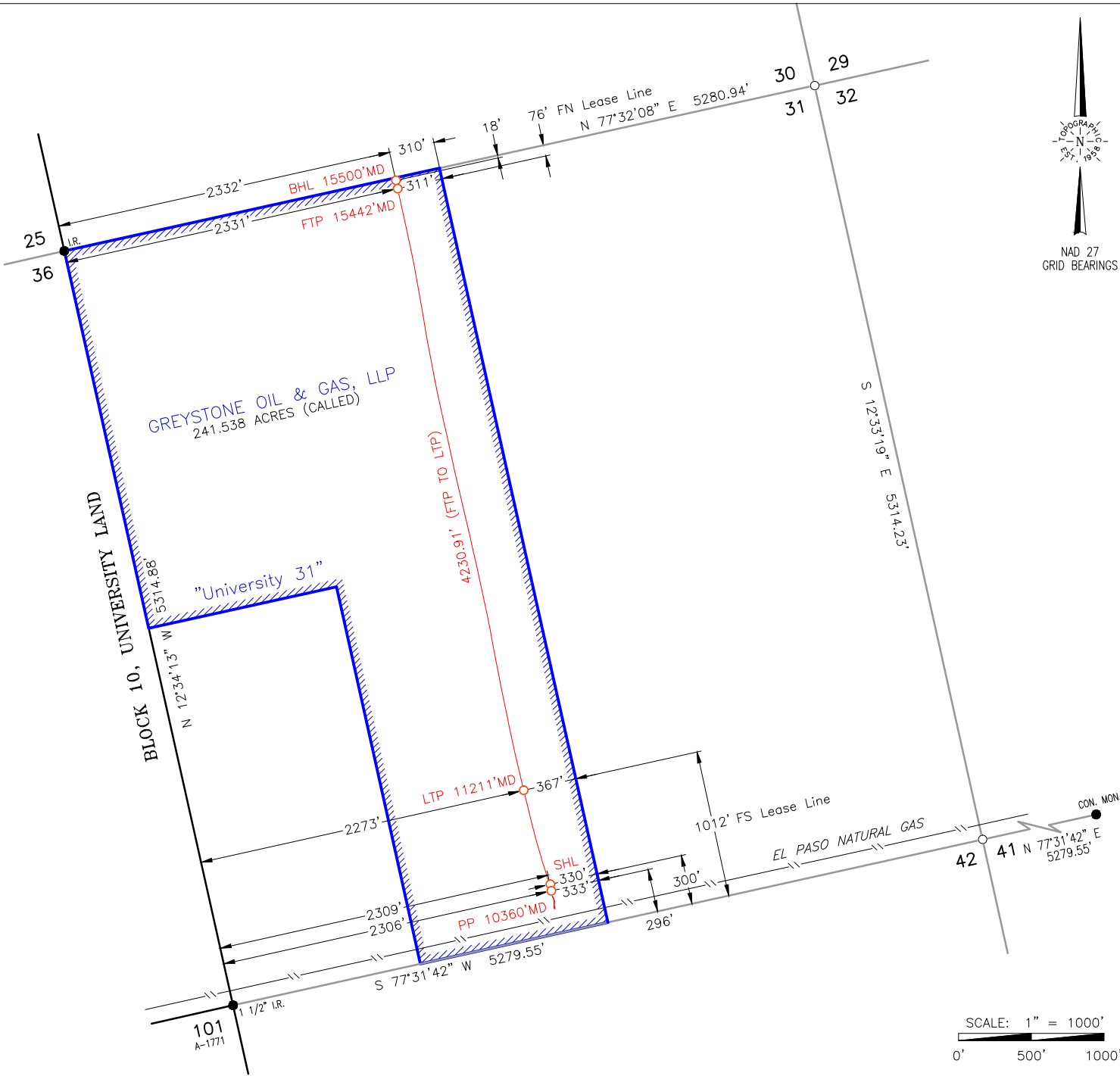
76' FNL & 2331' FWL
X = 416338 Y = 213296
LAT.: N 32.1468848 LONG.: W 102.6184269

Bottom Hole Location:

18' FNL & 2332' FWL
X = 416326 Y = 213352
LAT.: N 32.1470390 LONG.: W 102.6184744

LEGEND

- X Fence
- E Powerline
- w Water Line
- - - Pipeline
- = = = = = Lease Road
- Unit/Lease Boundary
- Found Monument
- Set IR "RPLS 5041"
- Calculated Corner



Scale: 1"=1000'	Surveyed: 06/19/2015	AD_UNIVERSITY31_1H_ALT_REV2	Drawn By: JBT; 06/23/2015	
COGO: 726-44138			Revision: ()	Date Revised: / /