



RAILROAD COMMISSION OF TEXAS

Form W-2

1701 N. Congress
P.O. Box 12967
Austin, Texas 78701-2967

Status: Approved
Date: 06/02/2017
Tracking No.: 163726

OIL WELL POTENTIAL TEST, COMPLETION OR RECOMPLETION REPORT, AND LOG

OPERATOR INFORMATION

Operator Name: PACESETTER ENERGY, LLC **Operator No.:** 633120
Operator Address: 2001 TIMBER CREEK RD FLOWER MOUND, TX 75028-0000

WELL INFORMATION

API No.: 42-003-47375 **County:** ANDREWS
Well No.: 8H **RRC District No.:** 08
Lease Name: UNIVERSITY JV 14 **Field Name:** SHAFTER LAKE (SAN ANDRES)
RRC Lease No.: 46383 **Field No.:** 82570500
Location: Section: 14, Block: A36, Survey: PSL / BUSTIN, E, Abstract: 698

Latitude: 32.37759 **Longitude:** -102.67076
This well is located 7.3 **miles in a** NW **direction from** ANDREWS, **which is the nearest town in the county.**

FILING INFORMATION

Purpose of filing: Initial Potential
Type of completion: New Well
Well Type: Producing **Completion or Recompletion Date:** 10/21/2016

<u>Type of Permit</u>	<u>Date</u>	<u>Permit No.</u>
Permit to Drill, Plug Back, or Deepen Rule 37 Exception	07/06/2016	816796
Fluid Injection Permit		
O&G Waste Disposal Permit		
Other:		

COMPLETION INFORMATION

Spud date: 08/05/2016 **Date of first production after rig released:** 10/21/2016
Date plug back, deepening, recompletion, or drilling operation commenced: 08/05/2016 **Date plug back, deepening, recompletion, or drilling operation ended:** 08/15/2016
Number of producing wells on this lease in this field (reservoir) including this well: 5 **Distance to nearest well in lease & reservoir (ft.):** 2673.0
Total number of acres in lease: 1807.25 **Elevation (ft.):** 3162 GR
Total depth TVD (ft.): 4507 **Total depth MD (ft.):** 12322
Plug back depth TVD (ft.): 4461 **Plug back depth MD (ft.):** 12294
Was directional survey made other than inclination (Form W-12)? Yes **Rotation time within surface casing (hours):** 162.0
Recompletion or reclass? No **Is Cementing Affidavit (Form W-15) attached?** Yes
Type(s) of electric or other log(s) run: Gamma Ray (MWD) **Multiple completion?** No
Electric Log Other Description:
Location of well, relative to nearest lease boundaries **Off Lease :** No
of lease on which this well is located: 140.0 **Feet from the** SW **Line and**
320.0 **Feet from the** NW **Line of the**
UNIVERSITY JV 14 **Lease.**

FORMER FIELD (WITH RESERVOIR) & GAS ID OR OIL LEASE NO.

Field & Reservoir Gas ID or Oil Lease No. Well No. Prior Service Type

W2: N/A

PACKET: N/A

FOR NEW DRILL OR RE-ENTRY, SURFACE CASING DEPTH DETERMINED BY:

GAU Groundwater Protection Determination **Depth (ft.):** 1575.0 **Date:** 07/07/2016
SWR 13 Exception **Depth (ft.):**

INITIAL POTENTIAL TEST DATA FOR NEW COMPLETION OR RECOMPLETION

Date of test: 11/08/2016 **Production method:** Pumping
Number of hours tested: 24 **Choke size:** 64/64THS
Was swab used during this test? No **Oil produced prior to test:** 21315.00

PRODUCTION DURING TEST PERIOD:

Oil (BBLs): 1345.00 **Gas (MCF):** 109
Gas - Oil Ratio: 81 **Flowing Tubing Pressure:** 225.00
Water (BBLs): 3106

CALCULATED 24-HOUR RATE

Oil (BBLs): 1345.0 **Gas (MCF):** 109
Oil Gravity - API - 60.: 31.0 **Casing Pressure:** 150.00
Water (BBLs): 3106

CASING RECORD

Row	Type of Casing	Casing Size (in.)	Hole Size (in.)	Setting Depth (ft.)	Multi - Stage Depth (ft.)	Multi - Stage Shoe Depth (ft.)	Cement Class	Cement Amount (sacks)	Slurry Volume (cu. ft.)	Top of Cement (ft.)	TOC Determined By
1	Surface	9 5/8	12 1/4	1638			CLASS C	665	1089.0	SURF ACE	Circulated to Surface
2	Conventional Production	5 1/2	8 3/4	12294			35/65 POZ C/50/50 POZ/H	3461	4985.0	1800	Cement Evaluation Log

LINER RECORD

Row	Liner Size (in.)	Hole Size (in.)	Liner Top (ft.)	Liner Bottom (ft.)	Cement Class	Cement Amount (sacks)	Slurry Volume (cu. ft.)	Top of Cement (ft.)	TOC Determined By
N/A									

TUBING RECORD

Row	Size (in.)	Depth (ft.)	Packer Depth (ft.)/Type
1	2 7/8	3748	/

PRODUCING/INJECTION/DISPOSAL INTERVAL

Row	Open hole?	From (ft.)	To (ft.)
1	No	L1 4672	12260.0

ACID, FRACTURE, CEMENT SQUEEZE, CAST IRON BRIDGE PLUG, RETAINER, ETC.

Was hydraulic fracturing treatment performed? Yes

Is well equipped with a downhole actuation sleeve? No **If yes, actuation pressure (PSIG):**

Production casing test pressure (PSIG) prior to hydraulic fracturing treatment: 6200 **Actual maximum pressure (PSIG) during hydraulic fracturing:** 6039

Has the hydraulic fracturing fluid disclosure been reported to FracFocus disclosure registry (SWR29)? Yes

Row	Type of Operation	Amount and Kind of Material Used	Depth Interval (ft.)
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FORMATION RECORD

<u>Formations</u>	<u>Encountered</u>	<u>Depth TVD (ft.)</u>	<u>Depth MD (ft.)</u>	<u>Is formation isolated?</u>	<u>Remarks</u>
YATES	Yes	2774.0	2775.0	Yes	
SEVEN RIVERS	Yes	2956.0	2959.0	Yes	
QUEEN	Yes	3672.0	3677.0	Yes	
GRAYBURG	Yes	4053.0	4056.0	Yes	
SAN ANDRES - CO2 FLOOD, HIGH FLOWS, H2S, CORROSIVE	Yes	4392.0	4470.0	Yes	PRODUCING FORMATION
HOLT	No			No	DID NOT ENCOUNTER
GLORIETA	No			No	DID NOT ENCOUNTER
TUBB	No			No	DID NOT ENCOUNTER
CLEARFORK	No			No	DID NOT ENCOUNTER
PERMIAN DETRITAL	No			No	DID NOT ENCOUNTER
LEON	No			No	DID NOT ENCOUNTER
WICHITA ALBANY	No			No	DID NOT ENCOUNTER
SPRABERRY	No			No	DID NOT ENCOUNTER
DEAN	No			No	DID NOT ENCOUNTER
WOLFCAMP	No			No	DID NOT ENCOUNTER
CANYON	No			No	DID NOT ENCOUNTER
PENNSYLVANIAN	No			No	DID NOT ENCOUNTER
MCKEE	No			No	DID NOT ENCOUNTER
STRAWN	No			No	DID NOT ENCOUNTER
FUSSELMAN	No			No	DID NOT ENCOUNTER
DEVONIAN	No			No	DID NOT ENCOUNTER
SILURIAN	No			No	DID NOT ENCOUNTER
ELLENBURGER	No			No	DID NOT ENCOUNTER

Do the producing interval of this well produce H2S with a concentration in excess of 100 ppm (SWR 36)?

Yes

Is the completion being downhole commingled (SWR 10)? No

REMARKS

RRC REMARKS

PUBLIC COMMENTS:

[RRC Staff 2017-01-25 14:46:28.115] EDL=7792 feet, max acres=320

CASING RECORD :

TUBING RECORD:

PRODUCING/INJECTION/DISPOSAL INTERVAL :

ACID, FRACTURE, CEMENT SQUEEZE, CAST IRON BRIDGE PLUG, RETAINER, ETC. :

POTENTIAL TEST DATA:

OPERATOR'S CERTIFICATION

Printed Name: Ryan Millard

Title: Land Manager

Telephone No.: (972) 691-3332

Date Certified: 05/30/2017



RAILROAD COMMISSION OF TEXAS

1701 N. Congress
P.O. Box 12967

Austin, Texas 78701-2967
CEMENTING REPORT

Form W-15

Rev 08/2014

Cementor: Fill in shaded areas.
Operator: Fill in other items

OPERATOR INFORMATION	
Operator Name: pacesetter energy	Operator P-5 No.: 63120
Cementor Name: Schlumberger	Cementor P-5 No.: 754900

WELL INFORMATION	
District No.: 08	County: andrews
Well No.: 8H	API No.: 42-003-47775 Drilling Permit No.: 816796
Lease Name: University JV 14	Lease No.: 463 8308
Field Name: shafter	Field No.: 82570500

I. CASING CEMENTING DATA			
Type of casing: <input type="checkbox"/> Conductor <input checked="" type="checkbox"/> Surface <input type="checkbox"/> Intermediate <input type="checkbox"/> Liner <input type="checkbox"/> Production			
Drilled hole size (in.): 12 1/4	Depth of drilled hole (ft.): 1638	Est. % wash-out or hole enlargement: 100%	
Size of casing in O.D. (in.): 9 5/8	Casing weight (lbs/ft) and grade: 36	No. of centralizers used: 11	
Was cement circulated to ground surface (or bottom of cellar) outside casing? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no for surface casing, explain in Remarks.	Setting depth shoe (ft.): 1638	Top of liner (ft.): NA	Setting depth liner (ft.): NA
Hrs. waiting on cement before drill-out: 28	Calculated top of cement (ft.): Surface	Cementing date: 6-Aug-16	

SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1	320	Class C	Remarks	630.4	938
2	345	Class C	Remarks	458.9	700
3					
Total	665			1089.3	1638

II. CASING CEMENTING DATA			
Type of casing: <input type="checkbox"/> Surface <input type="checkbox"/> Intermediate <input type="checkbox"/> Production <input type="checkbox"/> Tapered production <input type="checkbox"/> Multi-stage cement shoe <input type="checkbox"/> Multiple parallel strings			
Drilled hole size (in.):	Depth of drilled hole (ft.):	Est. % wash-out or hole enlargement:	
Size of casing in O.D. (in.):	Casing weight (lbs/ft) and grade:	No. of centralizers used:	
Tapered string drilled hole size (in.)	Tapered string depth of drilled hole (ft.)		
Upper:	Lower:	Upper:	Lower:
Tapered string size of casing in O.D. (in.)	Tapered string casing weight (lbs/ft) and grade	Tapered string no. of centralizers used	
Upper:	Lower:	Upper:	Lower:
Was cement circulated to ground surface (or bottom of cellar) outside casing? <input type="checkbox"/> Yes <input type="checkbox"/> No	Setting depth tool (ft.):		
Hrs. waiting on cement before drill-out:	Calculated top of cement (ft.):	Cementing date:	

SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1					
2					
3					
Total					

III. CASING CEMENTING DATA			
Type of casing: <input type="checkbox"/> Surface <input type="checkbox"/> Intermediate <input type="checkbox"/> Production <input type="checkbox"/> Tapered production <input type="checkbox"/> Multi-stage cement/DV tool <input type="checkbox"/> Multiple parallel strings			
Drilled hole size (in.):	Depth of drilled hole (ft.):	Est. % wash-out or hole enlargement:	
Size of casing in O.D. (in.):	Casing weight (lbs/ft) and grade:	No. of centralizers used:	
Tapered string drilled hole size (in.)	Tapered string depth of drilled hole (ft.)		
Upper:	Lower:	Upper:	Lower:
Tapered string size of casing in O.D. (in.)	Tapered string casing weight (lbs/ft) and grade	Tapered string no. of centralizers used	
Upper:	Lower:	Upper:	Lower:
Was cement circulated to ground surface (or bottom of cellar) outside casing? <input type="checkbox"/> Yes <input type="checkbox"/> No	Setting depth tool (ft.):		
Hrs. waiting on cement before drill-out:	Calculated top of cement (ft.):	Cementing date:	

SLURRY					
Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1					
2					
3					
Total					



RAILROAD COMMISSION OF TEXAS

1701 N. Congress
P.O. Box 12967

Austin, Texas 78701-2967
CEMENTING REPORT

Form W-15

Rev 08/2014

Cementor: Fill in shaded areas.
Operator: Fill in other items.

OPERATOR INFORMATION

Operator Name: Pacesetter Energy, Inc.	Operator P-S No.: 623126
Cementor Name: Schlumberger	Cementor P-S No.: 754900

WELL INFORMATION

District No.: 08	County: Andrews
Well No.: 8H	API No.: 42-003-47375 Drilling Permit No.: 816796
Lease Name: University JV 14	Lease No.: 463 8308
Field Name: SHAFTER LAKE (San Andrew)	Field No.: 82570500

I. CASING CEMENTING DATA

Type of casing: <input type="checkbox"/> Conductor <input type="checkbox"/> Surface <input type="checkbox"/> Intermediate <input type="checkbox"/> Liner <input checked="" type="checkbox"/> Production
Drilled hole size (in.): 5 3/4 Depth of drilled hole (ft.): 12320 Est. % wash-out or hole enlargement: 60%
Size of casing in O.D. (in.): 5 1/2 Casing weight (lbs/ft) and grade: 17/L80 No. of centralizers used: 119
Was cement circulated to ground surface (or bottom of cellar) outside casing? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If no for surface casing, explain in Remarks. Setting depth shoe (ft.): 12324 Top of liner (ft.): NA
12320 Setting depth liner (ft.): NA
Hrs. waiting on cement before drill-out: 3 Calculated top of cement (ft.): 1100 Cementing date: 17-Aug-16

SLURRY

Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1	446	35:65 Poz/C	Remarks	1306.8	3350
2	3015	50:50 Poz/H	Remarks	3678.3	8973
3					
Total	3461			4985.1	12322

II. CASING CEMENTING DATA

Type of casing: <input type="checkbox"/> Surface <input type="checkbox"/> Intermediate <input type="checkbox"/> Production <input type="checkbox"/> Tapered production <input type="checkbox"/> Multi-stage cement shoe <input type="checkbox"/> Multiple parallel strings
Drilled hole size (in.): 5 1/2 Depth of drilled hole (ft.): 12320 Est. % wash-out or hole enlargement:
Size of casing in O.D. (in.): 5 1/2 Casing weight (lbs/ft) and grade:
Tapered string drilled hole size (in.) Tapered string depth of drilled hole (ft.)
Upper: Lower: Upper: Lower:
Tapered string size of casing in O.D. (in.) Tapered string casing weight (lbs/ft) and grade Tapered string no. of centralizers used
Upper: Lower: Upper: Lower: Upper: Lower:
Was cement circulated to ground surface (or bottom of cellar) outside casing? <input type="checkbox"/> Yes <input type="checkbox"/> No Setting depth tool (ft.):
Hrs. waiting on cement before drill-out: Calculated top of cement (ft.): Cementing date:

SLURRY

Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1					
2					
3					
Total					

III. CASING CEMENTING DATA

Type of casing: <input type="checkbox"/> Surface <input type="checkbox"/> Intermediate <input type="checkbox"/> Production <input type="checkbox"/> Tapered production <input type="checkbox"/> Multi-stage cement/DV tool <input type="checkbox"/> Multiple parallel strings
Drilled hole size (in.): Depth of drilled hole (ft.): Est. % wash-out or hole enlargement:
Size of casing in O.D. (in.): Casing weight (lbs/ft) and grade: No. of centralizers used:
Tapered string drilled hole size (in.) Tapered string depth of drilled hole (ft.)
Upper: Lower: Upper: Lower:
Tapered string size of casing in O.D. (in.) Tapered string casing weight (lbs/ft) and grade Tapered string no. of centralizers used
Upper: Lower: Upper: Lower: Upper: Lower:
Was cement circulated to ground surface (or bottom of cellar) outside casing? <input type="checkbox"/> Yes <input type="checkbox"/> No Setting depth tool (ft.):
Hrs. waiting on cement before drill-out: Calculated top of cement (ft.): Cementing date:

SLURRY

Slurry No.	No. of Sacks	Class	Additives	Volume (cu.ft.)	Height (ft.)
1					
2					
3					
Total					

CEMENTING TO SQUEEZE, PLUG BACK OR PLUG AND ABANDON							
	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7
Cementing Date							
Size of hole or pipe (in.)							
Depth to bottom of tubing or drill pipe (ft.)							
Cement retainer setting depth (ft.)							
CIBP setting depth (ft.)							
Amount of cement on top of CIBP (ft.)							
Sacks of cement used							
Slurry volume pumped (cu. ft.)							
Calculated top of plug (ft.)							
Measured top of plug, if tagged (ft.)							
Slurry weight (lbs/gal)							
Class/type of cement							
Perforate and squeeze (YES/NO)							
REMARKS							
TXI+10%D020+5lb/skD042+0.2%D046+0.4%D238+0.13lb/skD130+10%D154+0.1%D208+0.6%D013 50:50 Poz/H+4%D020+0.15%D013+0.2%D046+0.2%D065+0.4%D255							

CEMENTER'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers cementing data only.

<u>Adam Carney (Field Specialist)</u>	<u>Schlumberger</u>	
Name and title of cementer's representative	Cementing Company	Signature
<u>1105 West Bender</u>	<u>Hobbs NM 88240</u>	<u>575-393-6186</u>
Address	City, State, Zip Code	Tel: Area Code Number
		<u>August 17, 2016</u>
		Date: mo. day yr.

OPERATOR'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers all well data.

<u>Ryan Millard</u>	<u>Land Manager</u>	
Typed or printed name of operator's representative	Title	Signature
<u>2001 Timber Creek Road Flower Mound, TX 75026</u>	<u>972-691-3332</u>	<u>11/18/2016</u>
Address	Tel: Area Code Number	Date: mo. day yr.

Instructions for Form W-15, Cementing Report

NOTICE: The Form W-15 must be submitted as an attachment to a Form G-1 (Gas Well Back Pressure Test, Completion or Recompletion Report, and Log), Form W-2 (Oil Well Potential Test, Completion or Recompletion Report, and Log), Form W-3 (Plugging Record), or Form W-4 (Application for Multiple Completion), any time cement is pumped in a wellbore.

- A. What to file:** An operator should file an original and one copy of the completed Form W-15 for each cementing company used on a well. The cementing of different casing strings on a well by one cementing company may be reported on one form. The Form W-15 should be filed with the Form W-3, Plugging Record, unless the Form W-3 is signed by the cementing company representative. When reporting dry holes, operators must complete Form W-15, in addition to Form W-3, to show any casing cemented in the hole.
- B. How to file:** An oil and gas completion report and Form W-15 may be filed online using the Commission's Online System (<https://webapps.rrc.state.tx.us/security/login.do>) or a paper copy of the form may be mailed to the Commission in Austin (P. O. Box 12967, Austin, Texas 78711-2967).
- C. Surface casing:** An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Groundwater Advisory Unit in Austin. Sufficient cement shall be used to fill the annular space outside the casing from the shoe to the ground surface or to the bottom of the cellar. Before drilling a well, an operator must obtain a letter from the Groundwater Advisory Unit stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the Commission.
To plug and abandon a well, operators must use only cementers approved by the Commission's Director of Field Operations in accordance with SWR 14 (http://info.sos.state.tx.us/pls/pub/readtacSext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=16&pt=1&ch=3&rl=14). Cementing companies, service companies, or operators can qualify as approved cementers by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.
- D. Estimated % wash-out:** If the estimated % wash-out is less than 20% (or 30% along the Gulf Coast), provide supporting documentation such as a caliper log to show how the estimated % wash-out was obtained.
- E. Multi-stage cement:** An operator must report the multi-stage cement shoe in II. Casing Cementing Data section by selecting the type of casing and Multi-stage cement shoe. The operator must report the multi-stage cement tool in III. Casing Cementing Data section by selecting the type of casing and Multi-stage cement/DV tool.
- F. Multiple parallel strings:** An operator should file the Form W-15 as an attachment to the Form W-4, Application for Multiple Completion. An operator may be required to submit multiple Form W-15s to show all data for multiple parallel strings.
- G. Slurry data:** If cement job exceeds three slurries, continue the list of slurries in the Slurry table in the subsequent Casing Cementing Data box.

Tracking No.: 163726

This facsimile L-1 was generated electronically from data submitted to the RRC.

Instructions

When to File Form L-1:

- with Forms G-1, W-2, and GT-1 for new and deepened gas, oil, and geothermal wells
- with Form W-3 for plugged dry holes
- when sending in a log which was held under a request for confidentiality and the period for confidentiality has not yet expired.

When is Form L-1 NOT required:

- with Forms W-2, G-1, and GT-1 filed for injection wells, disposal wells, water supply wells, service wells, re-test wells, re-classifications, and plugbacks of oil, gas or geothermal wells
- with Form W-3 for plugging of other than a dry hole

Where to File Form L-1:

- with the appropriate Commission district office

Filling out Form L-1:

- Section I and the signature section must be filled out for all wells
- complete only the appropriate part of Section II

Type of log required:

- any wireline survey run for the purpose of obtaining lithology, porosity, or resistivity information
- no more than one such log is required but it must be of the subject well
- if such log is NOT run on the subject well, do NOT substitute any other type of log; just select Section II, Part A below

SECTION I. IDENTIFICATION

Operator Name: PACESETTER ENERGY, LLC	District No. 08	Completion Date: 10/21/2016
Field Name SHAFTER LAKE (SAN ANDRES)	Drilling Permit No. 816796	
Lease Name UNIVERSITY JV 14	Lease/ID No. 46383	Well No. 8H
County ANDREWS	API No. 42- 003-47375	

SECTION II. LOG STATUS (Complete either A or B)

A. BASIC ELECTRIC LOG NOT RUN

B. BASIC ELECTRIC LOG RUN. (Select one)

- 1. Confidentiality is requested and a copy of the header for each log that has been run on the well is attached.
- 2. Confidentiality already granted on basic electric log covering this interval (applicable to deepened wells only).
- 3. Basic electric log covering this interval already on file with Commission (applicable to deepened wells only).
- 4. Log attached to (select one):
 - (a) Form L-1 (this form). If the company/lease name on log is different from that shown in Section I, please enter name on log here: _____
 Check here if attached log is being submitted after being held confidential.
 - (b) Form P-7, Application for Discovery Allowable and New Field Designation.
 - (c) Form W-4, Application for Multiple Completion:
 Lease or ID No(s). _____
 Well No(s). _____

Ryan Millard
 Signature
PACESETTER ENERGY, LLC
 Name (print)

Land Manager
 Title
(972) 691-3332 EXT 205 01/27/2017
 Phone Date

-FOR RAILROAD COMMISSION USE ONLY-



5"
FE

COMPANY : Pacesetter Energy
 WELL : University JV 14-8H
 FIELD : Shafter Lake (San Andres)
 COUNTY : ANDREWS
 STATE : TX
 COUNTRY : UNITED STATES
 API No.: 42-003-47375

COMPANY : Pacesetter Energy
 WELL : University JV 14-8H
 FIELD : Shafter Lake (San Andres)
 COUNTY : ANDREWS
 STATE : TX
 COUNTRY : UNITED STATES
 API WELL No. : 42-003-47375

WELL LOCATION

LAT: 32°22'40"N LON: 102°40'16"W
 X: 6,845,915' Y: 681,099' NAD83

SEC: TWP: RANGE:

DEPTH REF. : ROTARY TABLE

ELEVATION : 22.50 ft (ROTARY TABLE - GROUND LEVEL)

ALTITUDE : 3162.00 ft (GROUND LEVEL - MEAN SEA LEVEL)

BOREHOLE RECORD

DEVIATION RECORD

HOLE SIZE in	FROM ft	TO ft	INCLINATION deg	FROM
12 1/2	0	1638	00 +/-1	0
8 3/4	0	12322	00 - 90	3873
			90 +/-2	4818

CASING RECORD

CASING SIZE in	FROM ft	TO ft
9 5/8	0	1628

DRILLING Co. : NABORS
 RIG : M58
 LWD UNIT No. : TRAILER DIST
 SPUD DATE : 04-AUG-16
 LWD START DATE : 07-AUG-16
 LWD END DATE : 15-AUG-16



COMPANY : Pacesetter Energy
 WELL : University JV 14-8H
 FIELD : Shafter Lake (San Andres)
 COUNTY : ANDREWS
 STATE : TX
 COUNTRY : UNITED STATES
 API No.: 42-003-47375

COMPANY : Pacesetter Energy
 WELL : University JV 14-8H
 FIELD : Shafter Lake (San Andres)
 COUNTY : ANDREWS
 STATE : TX
 COUNTRY : UNITED STATES
 API WELL No.: 42-003-47375

WELL LOCATION

LAT:32°22'40"N LON:102°40'16"W
 X:6,845,915' Y:681,099' NAD83

SEC: TWP: RANGE:

DEPTH REF. : ROTARY TABLE

ELEVATION : 22.50 ft (ROTARY TABLE - GROUND LEVEL)

ALTITUDE : 3162.00 ft (GROUND LEVEL - MEAN SEA LEVEL)

BOREHOLE RECORD

DEVIATION RE

HOLE SIZE in	FROM ft	TO ft	INCLINATION deg	FROM
12 1/2	0	1638	00 +/-1	0
8 3/4	0	12322	00 - 90	3873
			90 +/-2	4818

CASING RECORD

CASING SIZE in	FROM ft	TO ft
9 5/8	0	1628

DRILLING Co.: NABORS
 RIG : M58
 LWD UNIT No.: TRAILER DIST
 SPUD DATE : 04-AUG-16
 LWD START DATE : 07-AUG-16 D
 LWD END DATE : 15-AUG-16 D

**RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION
CERTIFICATE OF COMPLIANCE STATEWIDE RULE 36**

FORM H-9
12/12/77

FILE WITH
DISTRICT OFFICE
IN TRIPLICATE

1. Operator <i>Pacesetter Energy, LLC</i>		2. Operator Number (See Instruction 13) <i>633120</i>		3. RRC Dist. <i>8</i>	
4. Street or P. O. Box No. <i>2001 Timber Creek Road</i>		5. City <i>Flower Mound</i>		6. State <i>TX</i>	
7. Zip Code <i>75028</i>		8. Name of Lease, Facility or Operation <i>UNIVERSITY JV 14</i>		9. Field or Area Name <i>Shutter Lake (San Andrew)</i>	
10. County <i>Andrews</i>		11. General Operation Type - Circle One: <input checked="" type="radio"/> A - Oil Field Production <input type="radio"/> B - Gas Field Production <input type="radio"/> C - Pipeline or Gathering Sys. <input type="radio"/> D - Gasoline Plant <input type="radio"/> E - Drilling or Workover <input type="radio"/> F - Sweetening Unit <input type="radio"/> G - Combination (explain) <input type="radio"/> H - Other (explain)			
12. RRC ID# of Operation(s) to be Covered by This Certificate		Type ID Code (See Instruction 12)		Indicate if Filing for Storage Facility Only	
YES		NO		Other Explanation	
<i>42-003-46448</i>		<i>16</i>		<input type="checkbox"/> YES <input type="checkbox"/> NO	
<i>42-003-46447</i>		<i>16</i>		<input type="checkbox"/> YES <input type="checkbox"/> NO	
<i>42-003-46883</i>		<i>16</i>		<input type="checkbox"/> YES <input type="checkbox"/> NO	
<i>42-003-47375</i>		<i>16</i>		<input type="checkbox"/> YES <input type="checkbox"/> NO	
<i>42-003-47374</i>		<i>16</i>		<input type="checkbox"/> YES <input type="checkbox"/> NO	
<i>42-003-46896</i>		<i>16</i>		<input type="checkbox"/> YES <input type="checkbox"/> NO	
<i>46383</i>		<i>1</i>		<input type="checkbox"/> YES <input type="checkbox"/> NO	
13. Hydrogen Sulfide Concentration		14. Maximum Escape Volume		15. 100 PPM Radius of Exposure (ROE)	
<i>70,000 PPM</i>		<i>500 MCF/Day</i>		<i>932 Ft.</i>	
16. 500 PPM Radius of Exposure (ROE)		17. Operation is Existing <input checked="" type="checkbox"/> New <input type="checkbox"/>		18. Modification Resulting in Certificate Change	
<i>426 Ft.</i>				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
19. Workover or Drilling Well with 100 PPM ROE Greater than 3000 feet on Rule 36 Certified Well/Lease				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
20. Previous Certificate Number if Available (For Amended Certificates)					
21. The 100 PPM ROE includes any part of a public area except a public road					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
22. The 500 PPM ROE includes any part of a public road					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
23. Injection of fluid containing Hydrogen Sulfide (See Instruction 14)					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
24. Date (or Depth) of Compliance with all applicable provisions of Rule 36					
<i>01/01/2015</i>					
Mo Day Year					
25. Contingency Plan Location of Plan (See Instruction 15)					
Has been prepared <input type="checkbox"/> Yes <input type="checkbox"/> No					
26. Location of data used to prepare this certificate (See Instruction 15)					
<i>2001 Timber Creek Road, Flower Mound, TX 75028</i>					
CERTIFICATE					
I declare under penalties prescribed in Section 91.143, Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision, and that I am qualified to make this certification by virtue of my training and experience, and by my analysis of the operation being certified, or by the analysis of qualified person working under my supervision, and that the data and facts stated therein are true, correct, and complete, to the best of my knowledge.					
<i>Ryan Millard</i>		<i>Land manager</i>		<i>972-691-3332 1/10/2017</i>	
Representative of Company		Title		Phone No. Date	

RAILROAD COMMISSION USE ONLY

This operation and the equipment used therein is approved on the basis of the above certification and is subject to further Commission audit for compliance with the required provisions of Statewide Rule 36. This approval may be cancelled if investigation determines that the operation does not comply with the provisions of Statewide Rule 36.

APPROVED BY: _____ DATE: _____

REMARKS: _____ CERTIFICATION NUMBER: _____

CERTIFICATE OF POOLING AUTHORITY

P-12

Revised 05/2001

1. Field Name(s) Shafter Lake San Andres	2. Lease/ID Number <i>(if assigned)</i> 46383	3. RRC District Number 8
4. Operator Name Pacesetter Energy, LLC	5. Operator P-5 Number 633120	6. Well Number 8H
7. Pooled Unit Name University JV 14	8. API Number 42-003-47375	9. Purpose of Filing <input type="checkbox"/> Drilling Permit (W-1)
10. County Andrews	11. Total acres in pooled unit 1807.2 5	<input checked="" type="checkbox"/> Completion Report

DESCRIPTION OF INDIVIDUAL TRACTS CONTAINED WITHIN THE POOLED UNIT

TRACT/PLAT IDENTIFIER	TRACT NAME	ACRES IN TRACT <i>(See inst. #7 below)</i>	INDICATE UNDIVIDED INTERESTS	
			UNLEASED	NON-POOLED
1 *	Tract 1	640	<input type="checkbox"/>	<input type="checkbox"/>
2*	Tract 2	161	<input type="checkbox"/>	<input type="checkbox"/>
3	Tract 3	161	<input type="checkbox"/>	<input type="checkbox"/>
4	Tract 4	161	<input type="checkbox"/>	<input type="checkbox"/>
5	Tract 5	241.45	<input type="checkbox"/>	<input type="checkbox"/>
6	Tract 6	80.5	<input type="checkbox"/>	<input type="checkbox"/>
7	Tract 7	161	<input type="checkbox"/>	<input type="checkbox"/>
8	Tract 8	120.75	<input type="checkbox"/>	<input type="checkbox"/>
9	Tract 9	40.25	<input type="checkbox"/>	<input type="checkbox"/>
10	Tract 10	40.25	<input type="checkbox"/>	<input type="checkbox"/>

CERTIFICATION:

I declare under penalties prescribed pursuant to the Sec. 91.143, Texas Natural Resources Code, that I am authorized to make the foregoing statements and that the information provided by me or under my direction on this Certificate of Pooling Authority is true, correct, and complete to the best of my knowledge.

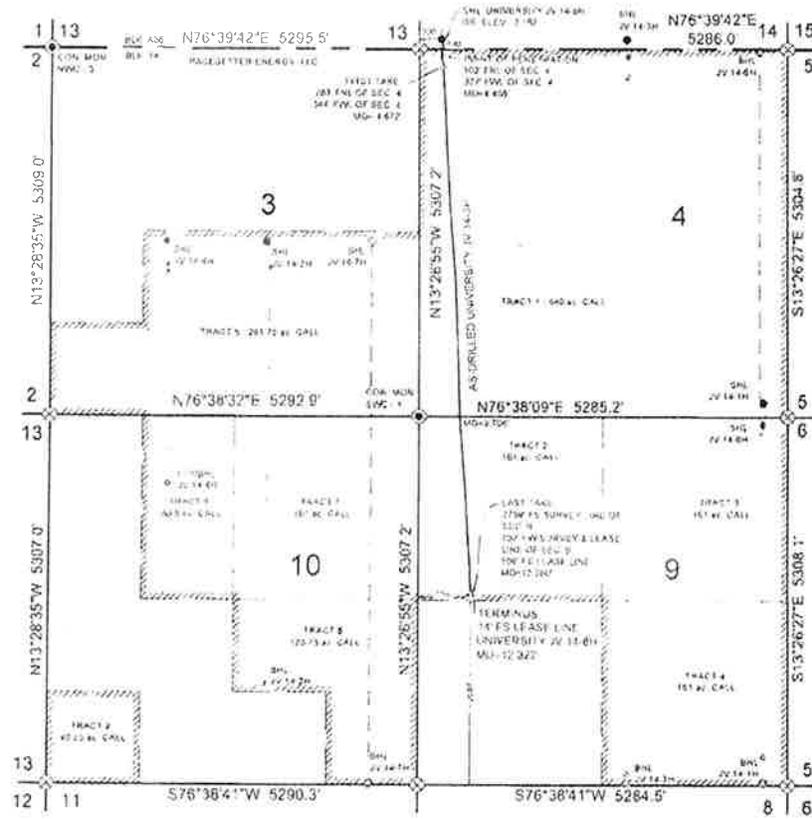
	Ryan Millard
Signature	Print Name
Land Manager	05/01/2017
Title	Date
E-mail <i>(if available)</i>	Phone
rmillard@pacesetterenergy.com	(972) 691-3332

INSTRUCTIONS — Reference: Statewide Rules 31, 38 and 40

1. When two or more tracts are pooled to form a unit to obtain a drilling permit, file completion paperwork, or reform a pooled unit pursuant to Rule 38(d)(3) the operator must file an original Certificate of Pooling Authority and certified plat.
2. The certified plat shall designate each tract with an outline and a tract identifier. The tract identifier on the plat shall correspond to the tract identifier and associated information listed on the Certificate.
3. If within an individual tract, a non-pooled and/or unleased interest exists, indicate by checking the appropriate box.
4. If the Purpose of Filing is to obtain a drilling permit, in box #1 list all applicable fields separately or enter "All Fields" if the Certificate pertains to all fields requested on Form W-1.
5. If the Purpose of Filing is to file completion paperwork, enter the applicable field name in box #1 for the completion.
6. Identify the drill site tract with an * to the left of the tract identifier.
7. The total number of acres in the pooled unit in #11 should equal the total of all acres in the individual tracts listed.

Clear Form

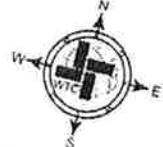
AS-DRILLED
SECTION 14, BLOCK A-36, PUBLIC SCHOOL LANDS SURVEY
ANDREWS COUNTY, TEXAS.



SHL	NAD 83 TX NC - N (Y)=6845915.0', E (X)=681096.7' - LAT=32°22'39.73\" N, LON=102°40'16.37\" W	NAME	JV 14-11H	JV 14-21H	JV 14-41H	JV 14-61H	JV 14-71H	JV 14-31H
POINT OF PENETRATION	NAD 83 TX NC - N (Y)=297918.2', E (X)=404285.9' - LAT=32°37'58.83\" N, LON=102°6'07.682\" W	SHL SH	4552	1503	4514	1293	1107	2670
FIRST TAKE POINT	NAD 83 TX NC - N (Y)=6845509.2', E (X)=681220.5' - LAT=32°22'35.76\" N, LON=102°40'14.72\" W	POP POP	7028	N/A	4500	N/A	N/A	2681
LAST TAKE POINT	NAD 83 TX NC - N (Y)=6835239.1', E (X)=683378.7' - LAT=32°21'24.73\" N, LON=102°39'46.26\" W	FTX FTX	6650	3500	4300	N/A	N/A	2669
BOTTOM HOLE TERMINUS	NAD 83 TX NC - N (Y)=290221.3', E (X)=405452.4' - LAT=32°35'02.5\" N, LON=102°6'02.4053\" W	LTP LTP	4787	3211	4628	N/A	N/A	3430
	NAD 27 TX NC - N (Y)=290161.3', E (X)=406508.1' - LAT=32°35'00.00\" N, LON=102°6'02.348\" W	BLH BLH	4954	3220	4651	4895	3530	3485

SURVEYOR'S NOTES

- ALL DOWNHOLE POINT OF PENETRATION AND BOTTOM HOLE INFORMATION AND THEIR LOCATIONS WERE PROVIDED BY PACESSETTER ENERGY LLC AND ARE NOT GUARANTEED BY THIS SURVEYOR.
- SEE DOCUMENTS FILED IN THIS OFFICE WHICH DESCRIBE IN DETAIL THE RECONSTRUCTION OF THESE SECTIONS AND/OR BLOCKS USING FOUND MONUMENTATION, GLO AND COURT HOUSE DOCUMENTATION.
- NO SURFACE OWNERSHIP WAS PROVIDED OR REQUESTED BY PACESSETTER ENERGY INC. AND NONE WAS RESEARCHED OR PROVIDED BY WEST TEXAS CONSULTANTS, INC.
- BEARINGS AND COORDINATES SHOWN HEREON ARE A LAMBERT CONICAL PROJECTION OF THE TEXAS COORDINATE SYSTEM (STATE PLANE NORTH CENTRAL ZONE, 1983 NORTH AMERICAN DATUM).
- THIS LOCATION IS APPROXIMATELY 8.6 MILES N 45° W FROM ANDREWS, TEXAS.



LEGEND

- DENOTES PROPOSED WELL LOCATION
- DENOTES EXISTING WELL
- ⊙ DENOTES BOTTOM HOLE LOCATION
- ⊕ DENOTES FOUND SECTION CORNER
- ⊗ DENOTES CALCULATED CORNER
- ⊞ DENOTES LEASE BOUNDARY



I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT THE SURVEY INFORMATION FOUND ON THIS PERMIT PLAT WAS DERIVED FROM FIELD NOTES OR ELECTRONIC DATA OF AN ACTUAL, ON-THE-GROUND SURVEY MADE BY ME OR UNDER MY SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. NO WARRANTY IS MADE OR INTENDED FOR THE LOCATION OF ANY OR ALL EASEMENTS THAT MAY EXIST WITHIN THE BOUNDS OF THIS SURVEY. THE INFORMATION PRESENTED HEREON IS ONLY TEXAS RAILROAD COMMISSION PERMITTING ONLY AND DOES NOT CONSTITUTE OR REPRESENT A COMPLETE BOUNDARY SURVEY AS DEFINED BY THE T.S.P.S. PROFESSIONAL LAND SURVEYING PRACTICES ACT. IF THERE ARE ANY ALTERATIONS MADE (HAND DRAWN OR HANDWRITTEN) IN ADDITION THIS SURVEYOR IS NO LONGER RESPONSIBLE FOR THE VALIDITY OF THIS PLAT.

Gregory W. Shoultz 10/22/2016
GREGORY W. SHOULTZ RPLS #5356 DATE

SURVEY DATE: N/A DRAFT: M Y
JOB NO: 51420 SHEET: 1 OF 1

pacesetter energy
UNIVERSITY JV 14-8H
SHL LOCATED 140 FEET FSL AND 320 FEET FWL OF SEC. 14, BLK. A-36, PUBLIC SCHOOL LANDS SURVEY, ANDREWS COUNTY, TEXAS.

WTC, INC.
405.210.15.1000
Address: 142814
1122+323-1181
TEXAS PROFESSIONAL SURVEYORS BOARD # 2746
TEXAS REGISTERED SURVEYOR # 11029 OF

SECTIONS 3, 4, 9 & 10, BLOCK 14, UNIVERSITY LANDS SURVEY
ANDREWS COUNTY, TEXAS

NAD 83
y 6844483.4
x 075887.4
NAD 27
y 298538.2
x 398841.3

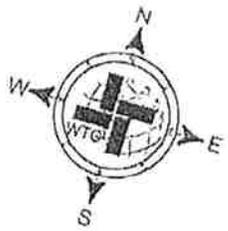
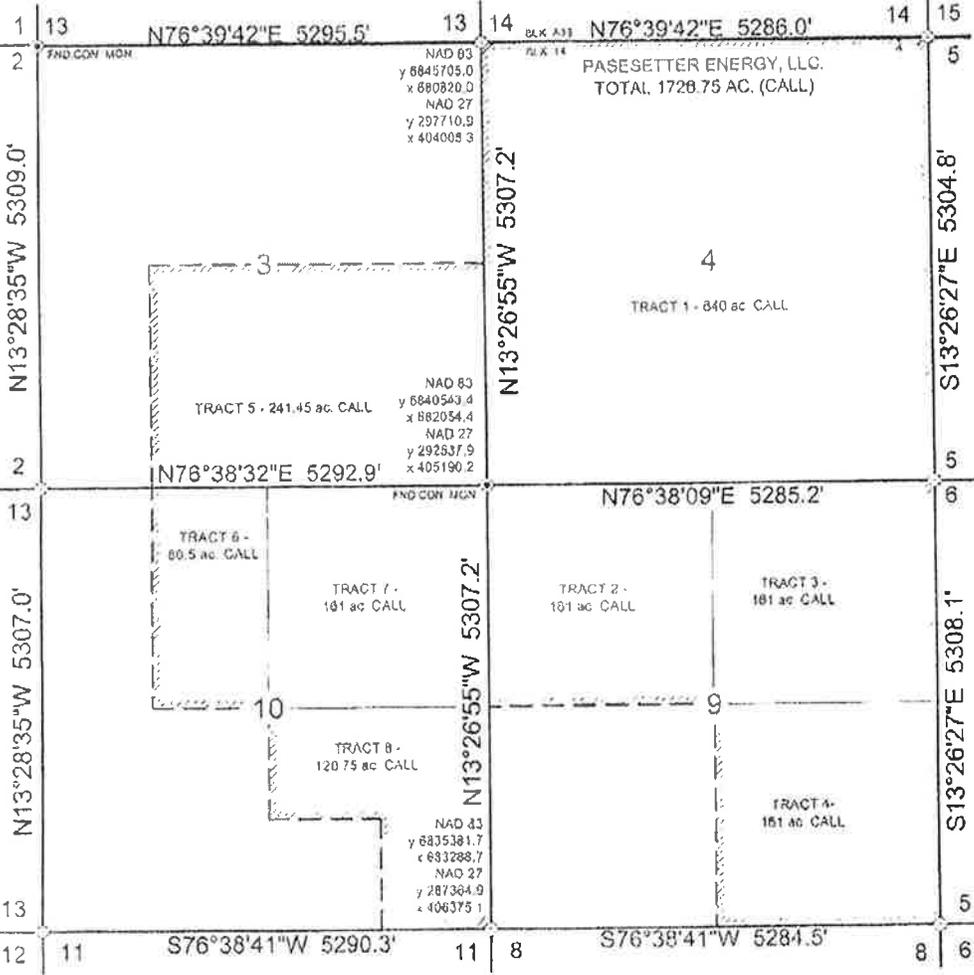
NAD 83
y 8939320.8
x 876904.7
NAD 27
y 291384.1
x 320829.1

NAD 83
y 6834159.7
x 07814.4
NAD 27
y 289191.0
x 401216.5

NAD 83
y 6846924.5
x 685983.4
NAD 27
y 298881.5
x 409159.9

NAD 83
y 6841785.0
x 687188.5
NAD 27
y 293710.7
x 610343.6

NAD 83
y 6836602.3
x 688430.3
NAD 27
y 289538.6
x 411528.0



STATEMENT OF PRODUCTIVITY OF ACREAGE
ASSIGNED TO PRORATION UNITS

Form P-15

Tracking No.: 163726

This facsimile P-15 was generated electronically
from data submitted to the RRC.

The undersigned states that he is authorized to make this statement; that he has knowledge of the facts concerning the PACESETTER ENERGY, LLC ,

UNIVERSITY JV 14 , No. 8H ; that such well is
LEASE OPERATOR WELL

completed in the SHAFTER LAKE (SAN ANDRES) Field, ANDREWS County,

Texas and that the acreage claimed, and assigned to such well for proration purposes as authorized by special rule and as shown on the attached certified plat embraces _____

240.0 acres which can reasonably be considered to be productive of hydrocarbons.

- CERTIFICATE -

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge,

Date 05/09/2017 Signature Ryan Millard

Telephone (972) 691-3332 EXT 205 Title Land Manager
AREA CODE

Attachment to Form P-15

Date: 5/1/2017

Lease Name: University JV 14

Total Acres: 1807.25

Assigned to Proration Unit

Acreage List

RRC ID#	LEASE NAME	WELL #	API #	WELL ACRES ASSIGNED	PERMIT#
46383	University JV 14	8H	42-003-47375	240	816796
46383	University JV 14	3H	42-003-47374	320	816781
46383	University JV 14	1H	42-003-46447	200	788929
46383	University JV 14	2H	42-003-46448	240	788959
46383	University JV 14	4H	42-003-46883	160	798661



RAILROAD COMMISSION OF TEXAS

1701 N. Congress
 P.O. Box 12967
 Austin, Texas 78701-2967

Form P-16

Page 2

Rev. 01/2016

Acreage Designation

Filer is the owner or lessee of all or an undivided portion of the minerals under each tract listed below and has the legal right to drill on each tract traversed by the well that will have perforations or other take points open in the interval of the applied-for field(s). All tracts listed will actually be traversed by the wellbore or the filer has pooling authority or other contractual authority, such as a production sharing agreement, authorizing inclusion of the non-drillsite tract in the acreage assigned to the well.

SECTION V. LISTING OF ALL TRACTS CONTRIBUTING ACREAGE TO AN RRC DESIGNATED DRILLSITE DEVELOPMENTAL UNIT THAT IS NOT A SINGLE LEASE, POOLED UNIT, OR GROUP OF TRACTS UNITIZED BY CONTRACT FOR PURPOSES OF SECONDARY RECOVERY					
RRC ID No. or Lease No.	Lease Name	Beginning Lease Acreage	Allocated Lease Acreage	Ending Lease Acreage	Operator Name and Operator No. (if different from filing operator)
Total Allocated Acreage >					< Total Lease Acreage

Filer is the owner or lessee, or has been authorized by the owner or lessee, of all or an undivided portion of the mineral estate under each tract for which filer is listed as operator below. For all leases operated by other entities, the number of assigned acres shown are reflected on current Commission records or the filer has been authorized by the current operator to change the assigned acreage of that operator as shown below.

SECTION VI. LISTING OF ALL WELLS IN THE APPLIED FOR FIELD ON THE SAME ACREAGE AS THE LEASE OR POOLED UNIT DESIGNATED FOR THE TRACTS LISTED IN SECTION V BY FILER									
RRC ID No. or Lease No.	Well No.	Acres Assigned	SWR 38 Except. (Y/N)	H-Horizontal D-Directional V-Vertical	RRC ID No. or Lease No.	Well No.	Acres Assigned	SWR 38 Except. (Y/N)	H-Horizontal D-Directional V-Vertical
A. Total Wells & Acreage >					A. Total Wells & Acreage >				
B. Total Assigned Horiz. Acreage >					B. Total Assigned Horiz. Acreage >				
C. Total Assigned Vert./Dir. Acreage >					C. Total Assigned Vert./Dir. Acreage >				

SECTION VII. REMARKS

GROUNDWATER PROTECTION DETERMINATION

Form GW-2



Groundwater Advisory Unit

Date Issued:	07 July 2016	GAU Number:	157075
Attention:	PACESETTER ENERGY, LLC 2001 TIMBER CREEK RD FLOWER MOUND, TX 75028	API Number:	
Operator No.:	633120	County:	ANDREWS
		Lease Name:	University JV 14
		Lease Number:	
		Well Number:	8H
		Total Vertical Depth:	9000
		Latitude:	32.377596
		Longitude:	-102.670768
		Datum:	NAD27

Purpose: New Drill
Location: Survey-PSL; Abstract-698; Block-A36; Section-14

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 a depth of 350 feet, and the zone from 1150 to 1575 feet must be protected.

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

Note: Unless stated otherwise, this recommendation is intended to apply only to the subject well and not for area-wide use. This recommendation is for normal drilling, production, and plugging operations only. It does not apply to saltwater disposal operation into a nonproductive zone (RRC Form W-14).

This determination is based on information provided when the application was submitted on 07/06/2016. 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

