

API No. <u>42-105-42334</u> Drilling Permit # <u>817259</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. <u>196897</u>		2. Operator's Name (as shown on form P-5, Organization Report) <u>D & V OIL CO., LP</u>		3. Operator Address (include street, city, state, zip): <u>PO BOX 62175</u> <u>SAN ANGELO, TX 76909-0000</u>			
4. Lease Name <u>UNIVERSITY CN 'A'</u>		5. Well No. <u>6</u>					
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 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							
8. Total Depth <u>2700</u>		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. <u>7C</u>		12. County <u>CROCKETT</u>		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>25</u> miles in a <u>NW</u> direction from <u>Ozona</u> which is the nearest town in the county of the well site.							
15. Section <u>10</u>		16. Block <u>50</u>		17. Survey <u>UL</u>		18. Abstract No. <u>A-</u>	
				19. Distance to nearest lease line: <u>330</u> ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>100</u>	
21. Lease Perpendiculars: <u>330</u> ft from the <u>S</u> line and <u>330</u> ft from the <u>E</u> line.							
22. Survey Perpendiculars: <u>2310</u> ft from the <u>N</u> line and <u>2310</u> ft from the <u>W</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	
7C	30243500	FARMER (SAN ANDRES)		Oil or Gas Well	2700	746.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
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="display: flex; justify-content: space-between;"> < Mail in Application > Aug 18, 2016 </div> <div style="display: flex; justify-content: space-between;"> Name of filer Date submitted </div>			
RRC Use Only Data Validation Time Stamp: Sep 8, 2016 10:11 AM(Current Version)				Phone _____ E-mail Address (OPTIONAL) _____			

**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 align="center">817259</div>	DATE PERMIT ISSUED OR AMENDED <div align="center">Sep 08, 2016</div>	DISTRICT <div align="center">* 7C</div>																									
API NUMBER <div align="center">42-105-42334</div>	FORM W-1 RECEIVED <div align="center">Aug 18, 2016</div>	COUNTY <div align="center">CROCKETT</div>																									
TYPE OF OPERATION <div align="center">NEW DRILL</div>	WELLBORE PROFILE(S) <div align="center">Vertical</div>	ACRES <div align="center">100</div>																									
OPERATOR <div align="center"> D & V OIL CO., LP PO BOX 62175 SAN ANGELO, TX 76909-0000 </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 align="center">(325) 657-7450</div>																									
LEASE NAME <div align="center">UNIVERSITY CN 'A'</div>		WELL NUMBER <div align="center">6</div>																									
LOCATION <div align="center">25 miles NW direction from OZONA</div>		TOTAL DEPTH <div align="center">2700</div>																									
Section, Block and/or Survey <div style="display: flex; justify-content: space-between;"> <div>SECTION ◀ 10</div> <div>BLOCK ◀ 50</div> <div>ABSTRACT ◀</div> </div> <div style="margin-top: 5px;">SURVEY ◀ UL</div>																											
DISTANCE TO SURVEY LINES <div align="center">2310 ft. N 2310 ft. W</div>		DISTANCE TO NEAREST LEASE LINE <div align="center">330 ft.</div>																									
DISTANCE TO LEASE LINES <div align="center">330 ft. S 330 ft. E</div>		DISTANCE TO NEAREST WELL ON LEASE <div align="center">See FIELD(s) Below</div>																									
FIELD(s) and LIMITATIONS: <div align="center" style="margin-top: 10px;">* 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: right;">ACRES</th> <th style="text-align: right;">DEPTH</th> <th style="text-align: right;">WELL #</th> <th style="text-align: right;">DIST</th> </tr> <tr> <th style="text-align: left;">LEASE NAME</th> <th style="text-align: right;">NEAREST LEASE</th> <th></th> <th style="text-align: right;">NEAREST WE</th> <th></th> </tr> </thead> <tbody> <tr> <td colspan="5"><hr style="border-top: 1px dashed black;"/></td> </tr> <tr> <td>FARMER (SAN ANDRES)</td> <td style="text-align: right;">100.00</td> <td style="text-align: right;">2,700</td> <td style="text-align: right;">6</td> <td style="text-align: right;">7C</td> </tr> <tr> <td>UNIVERSITY CN 'A'</td> <td style="text-align: right;">330</td> <td></td> <td style="text-align: right;">746</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;"/>					FARMER (SAN ANDRES)	100.00	2,700	6	7C	UNIVERSITY CN 'A'	330		746	
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UNIVERSITY CN 'A'	330		746																								
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.																											
<div align="center" style="margin-top: 20px;">THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS</div> <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>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.</p>																											

GROUNDWATER PROTECTION DETERMINATION

Form GW-2



Groundwater Advisory Unit

Date Issued: 28 July 2016**GAU Number:** 158042**Attention:** D & V OIL CO., LP
PO BOX 62175
SAN ANGELO, TX 76909**Operator No.:** 196897**API Number:**
County: CROCKETT
Lease Name: University CN "A"
Lease Number: 13111
Well Number: 6
Total Vertical Depth: 2700
Latitude: 31.019291
Longitude: -101.398032
Datum: NAD27**Purpose:** New Drill**Location:** Survey-UL; Block-50; Section-10

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 Santa Rosa, which is estimated to occur at a depth of 875 feet, must be protected.

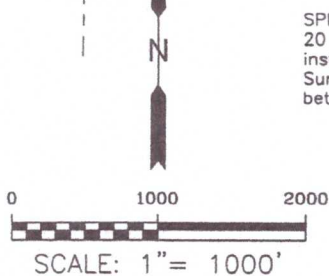
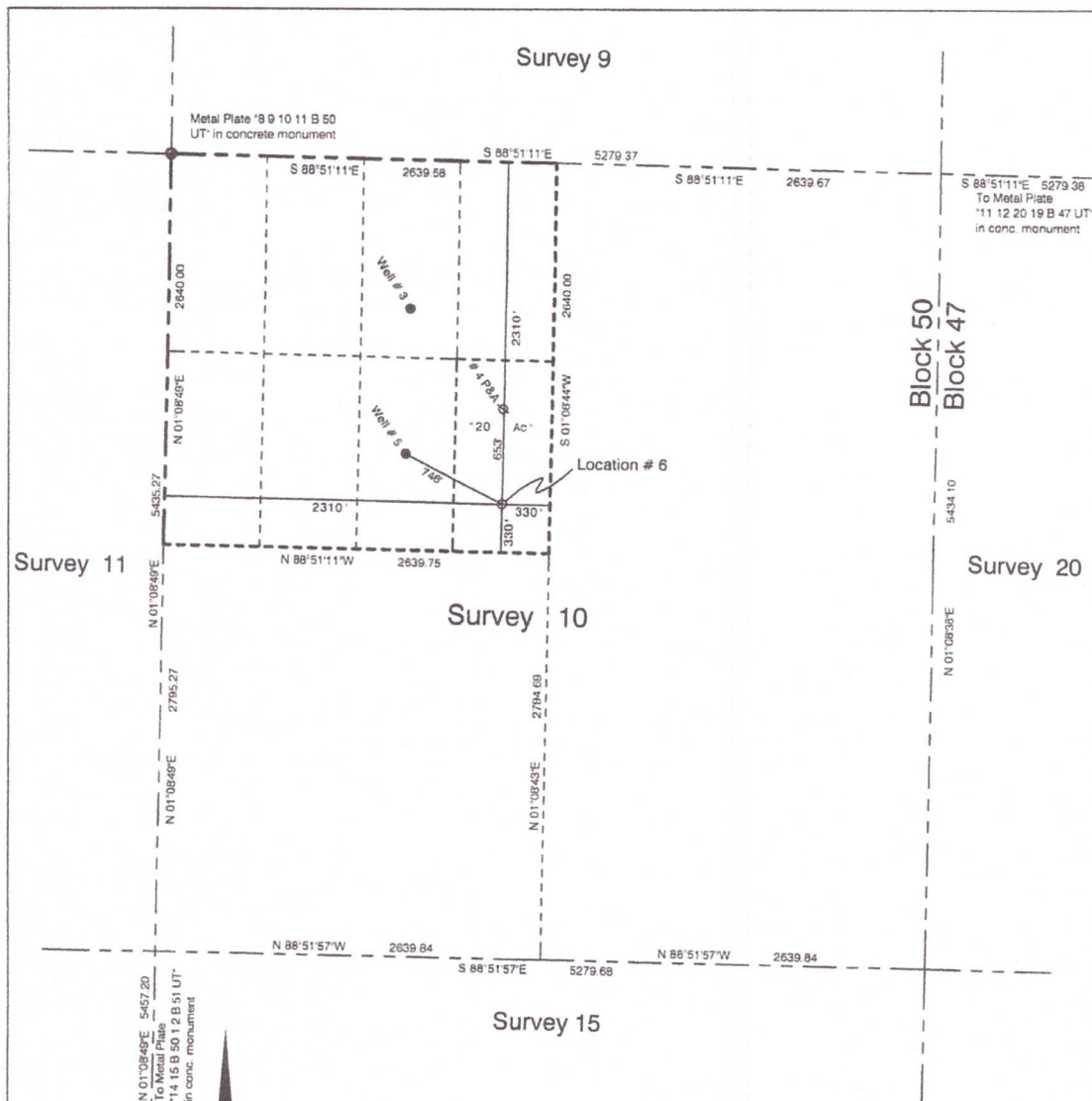
Please send Gamma Ray/Porosity log of this well when it is available.

This recommendation applies to this well only and should not be construed as establishing an area-wide depth for the protection of usable-quality ground water.

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 07/28/2016. 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



Courses, distances and coordinate are of the
 Texas Coordinate System of 1983 - Central Zone
 per GPS observations and a National Geodetic
 Survey - Online Positioning Users Service solution
 Elevation similarly determined.

FIELD	:	Crockett
COUNTY	:	D & V Oil Co. LP
OPERATOR	:	University CN "A"
LEASE	:	6
WELL NO.	:	2697 ft. grd.
ELEVATION	:	2310 ft. FNL and 2310 ft. FWL of Survey 10,
LOCATION	:	Block 50, University Land, Crockett County, Texas.

" Ac" = Acreage claimed by operator
 to be in lease.

Located: 12 miles SSE of Big Lake, Texas.

NOTE : The location as shown above has
 coordinates on the Texas Coordinate
 System of 1983-Central Zone of:

Y = 10,336.101'
 X = 1,962.967'
 Latitude: 31°01'10.03"
 Longitude: 101°23'54.33"

This plat represents the location as staked on the ground.

This the 13th day of July, 2016.

Bart E. Johnson
 Bart. E. Johnson
 Registered Professional Land Surveyor No. 3895

Bart E. Johnson
 16110 Fitzgerald Drive
 San Angelo, Texas 76904
 (325) 835-2164
 Firm # 10017500

Bart E. Johnson
 R.P.L.S. # 3895
 Drawing # 216031alternate
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