

API No. <u>42-317-40597</u> Drilling Permit # <u>820023</u> SWR Exception Case/Docket No. <u>08-0302517 (R38)</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 07/2004 Permit Status: Approved
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1. RRC Operator No. 684474	2. Operator's Name (as shown on form P-5, Organization Report) QEP ENERGY COMPANY	3. Operator Address (include street, city, state, zip): ATTN SOUTHERN DIV REGULATORY 1050 17TH ST SUITE 800 DENVER, CO 80265-0000
4. Lease Name UNIVERSITY 7-2730		5. Well No. S 08SC

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"/> Amended		<input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)		<input type="checkbox"/> Field Transfer	
<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					
8. Total Depth 9600	9. Do you have the right to develop the minerals under any right-of-way ?		10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)?		
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

SURFACE LOCATION AND ACREAGE INFORMATION					
11. RRC District No. 08		12. County MARTIN		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>21.6</u> miles in a <u>NE</u> direction from <u>ANDREWS</u> which is the nearest town in the county of the well site.					
15. Section 27	16. Block 7	17. Survey UL		18. Abstract No. A-U27	19. Distance to nearest lease line: 100 ft.
20. Number of contiguous acres in lease, pooled unit, or unitized tract: 963					
21. Lease Perpendiculars: <u>2582</u> ft from the <u>N</u> line and <u>1604</u> ft from the <u>E</u> line.					
22. Survey Perpendiculars: <u>2582</u> ft from the <u>N</u> line and <u>1604</u> ft from the <u>E</u> line.					
23. Is this a pooled unit? <input checked="" type="checkbox"/> Yes <input 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	32. Number of Wells on this lease in this Reservoir
08	85280300	SPRABERRY (TREND AREA)	Oil or Gas Well	9600	135.00	16

BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)	
Remarks See W1 Comments attached	Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge. <u>Melissa Luke, Regulatory Affairs</u> <u>Nov 02, 2016</u> Name of filer Date submitted <u>(303)3083610</u> <u>melissa.luke@qepres.com</u> Phone E-mail Address (OPTIONAL)
RRC Use Only Data Validation Time Stamp: Nov 30, 2016 3:18 PM(Current Version)	

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

Form W-1H 07/2004
Supplemental Horizontal Well Information

Permit Status: **Approved**
The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

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Permit # **820023**
Approved Date: **Nov 30, 2016**

1. RRC Operator No. 684474	2. Operator's Name (exactly as shown on form P-5, Organization Report) QEP ENERGY COMPANY	3. Lease Name UNIVERSITY 7-2730	4. Well No. S 08SC
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Lateral Drainhole Location Information

5. Field as shown on Form W-1 **SPRABERRY (TREND AREA) (Field # 85280300, RRC District 08)**

6. Section 30	7. Block 7	8. Survey UL / A-U30	9. Abstract	10. County of BHL MARTIN
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11. Terminus Lease Line Perpendiculars 1 ft. from the SOUTH line. and 2310 ft. from the EAST line
12. Terminus Survey Line Perpendiculars 1 ft. from the SOUTH line. and 2310 ft. from the EAST line
13. Penetration Point Lease Line Perpendiculars 1 ft. from the NORTH line. and 2310 ft. from the EAST line

Permit Status: **Approved**

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W-1 Comments

Permit # **820023**

Approved Date: **Nov 30, 2016**

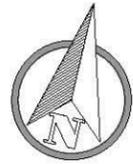
[RRC STAFF Nov 7, 2016 5:26 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Nov 7, 2016 5:26 PM]: Operator will be submitting a revised plat and service list. The land department realized that the wrong offset is identified.; [RRC STAFF Nov 9, 2016 3:41 PM]: Problems identified with this permit are resolved.; [RRC STAFF Nov 9, 2016 3:50 PM]: Per Melissa Luke; "...we realized that our land department made an error. Our offset operator is actually Piedra Resources, LLC and NOT Burseson....We have updated our plats for the 8 wells we submitted permits for last Wednesday, as well as, our Service List to show Piedra is the offset."; [RRC STAFF Nov 9, 2016 5:23 PM]: SHL and BHL abstract info added.; [RRC STAFF Nov 10, 2016 7:39 AM]: Changed BHL survey information to match plat and RRC GIS.

**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION
SWR #13 Formation Data**

MARTIN (317) County

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
SANTA ROSA	1,000	1,000		1	12/17/2013
YATES	2,200	2,700		2	12/17/2013
QUEEN	4,100	4,100		3	12/17/2013
GRAYBURG	3,950	4,300		4	12/17/2013
SAN ANDRES	3,500	4,700	Active CO2 flood; high flows; H2S; corrosive	5	12/17/2013
CISCO	8,500	8,500		6	12/17/2013
SPRABERRY	6,500	8,500		7	12/17/2013
DEAN	6,500	9,500		8	12/17/2013
WOLFCAMP	8,600	9,600		9	12/17/2013
PENNSYLVANIAN	9,400	10,600		10	12/17/2013
STRAWN	10,100	10,600		11	12/17/2013
MISSISSIPPIAN	11,100	11,100		12	12/17/2013
FUSSELMAN	10,600	11,600		13	12/17/2013
SILURIAN	11,600	12,100		14	12/17/2013
DEVONIAN	11,500	12,200		15	12/17/2013
ELLENBURGER	13,200	13,200		16	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>

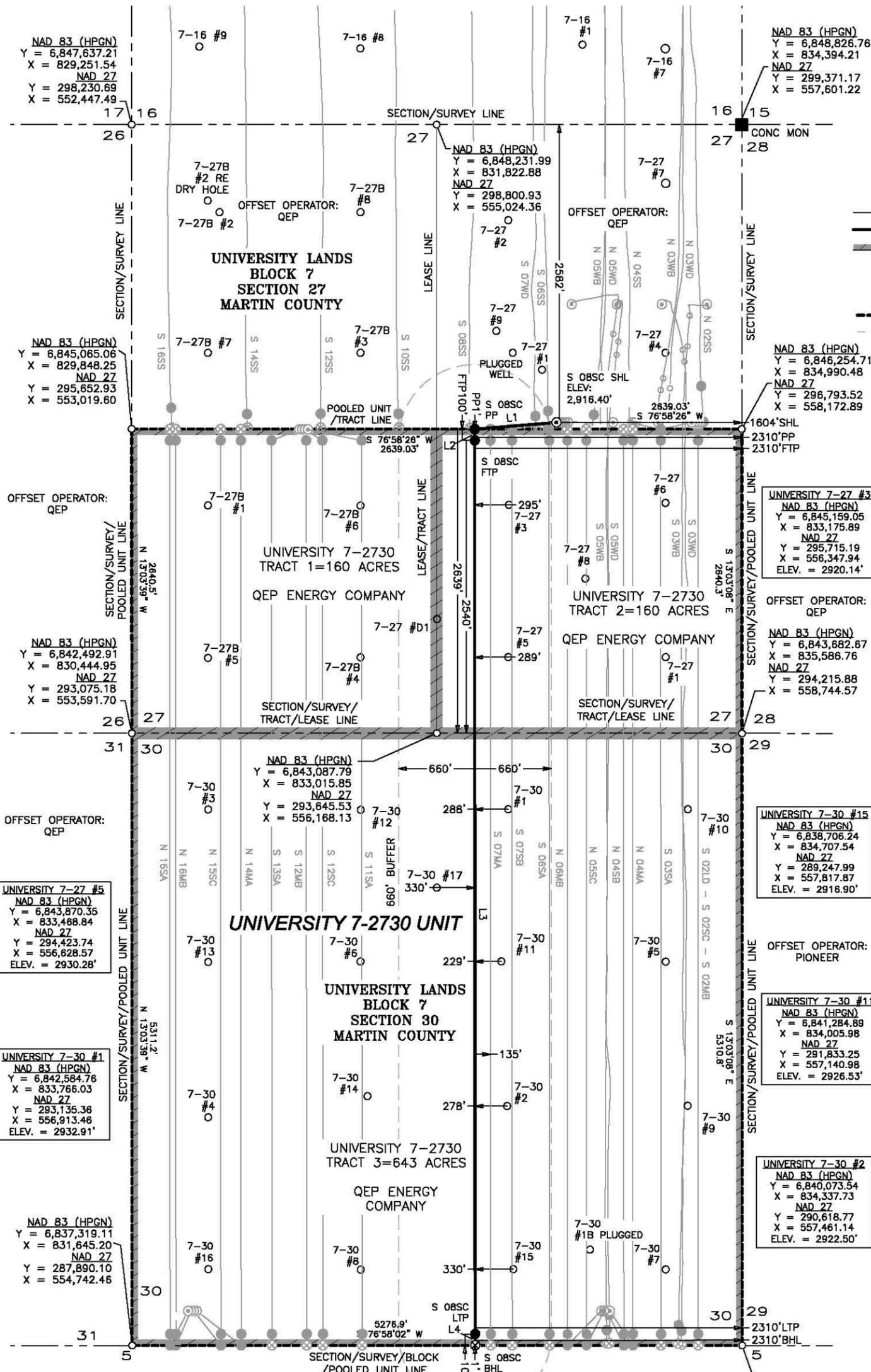


NAD 83 (HPGN) GRID
TEXAS NORTH CENTRAL ZONE

0 500 1000
1" = 1000 FEET

LEGEND

- SURVEY LINE
- PROPOSED LATERAL LEASE LINE
- FOUND CONCRETE MONUMENT
- CALCULATED CORNER
- POOLED UNIT LINE
- 660' BUFFER



SURFACE HOLE LOCATION
OUT OF LEASE
2582' FNL 1604' FEL SECTION 27

NAD 83 (HPGN)
Y = 6,845,949.55 X = 833,414.44
LAT: 32°23'36.37" N LONG: 102°10'41.31" W
LAT: 32.393435° N LONG: 102.178142° W

NAD 27
Y = 296,503.39 X = 556,594.03
LAT: 32°23'35.98" N LONG: 102°10'39.76" W
LAT: 32.393329° N LONG: 102.177710° W

PENETRATION POINT
1' FNL 2310' FEL LEASE
2639' FSL 2310' FEL SECTION 27

NAD 83 (HPGN)
Y = 6,845,733.07 X = 832,740.15
LAT: 32°23'33.99" N LONG: 102°10'49.08" W
LAT: 32.392775° N LONG: 102.180301° W

NAD 27
Y = 296,293.35 X = 555,917.71
LAT: 32°23'33.61" N LONG: 102°10'47.53" W
LAT: 32.392669° N LONG: 102.179868° W

FIRST TAKE POINT
100' FNL 2310' FEL LEASE
2540' FSL 2310' FEL SECTION 27

NAD 83 (HPGN)
Y = 6,845,636.63 X = 832,762.51
LAT: 32°23'33.04" N LONG: 102°10'48.78" W
LAT: 32.392512° N LONG: 102.180217° W

NAD 27
Y = 296,196.70 X = 555,939.15
LAT: 32°23'32.66" N LONG: 102°10'47.23" W
LAT: 32.392407° N LONG: 102.179785° W

LAST TAKE POINT
100' FSL 2310' FEL LEASE
100' FSL 2310' FEL SECTION 30

NAD 83 (HPGN)
Y = 6,838,085.57 X = 834,513.06
LAT: 32°22'18.98" N LONG: 102°10'25.30" W
LAT: 32.371938° N LONG: 102.173694° W

NAD 27
Y = 288,629.20 X = 557,617.48
LAT: 32°22'18.59" N LONG: 102°10'23.75" W
LAT: 32.371831° N LONG: 102.173263° W

BOTTOM HOLE LOCATION
1' FSL 2310' FEL LEASE
1' FSL 2310' FEL SECTION 30

NAD 83 (HPGN)
Y = 6,837,989.13 X = 834,535.41
LAT: 32°22'18.03" N LONG: 102°10'25.00" W
LAT: 32.371675° N LONG: 102.173611° W

NAD 27
Y = 288,532.55 X = 557,638.90
LAT: 32°22'17.64" N LONG: 102°10'23.45" W
LAT: 32.371568° N LONG: 102.173180° W

NAD 83 (HPGN)
Y = 6,847,637.21
X = 829,251.54
NAD 27
Y = 298,230.69
X = 552,447.49

NAD 83 (HPGN)
Y = 6,845,065.06
X = 829,848.25
NAD 27
Y = 295,652.93
X = 553,019.60

NAD 83 (HPGN)
Y = 6,842,492.91
X = 830,444.95
NAD 27
Y = 293,075.18
X = 553,591.70

NAD 83 (HPGN)
Y = 6,848,231.99
X = 831,822.88
NAD 27
Y = 298,800.93
X = 555,024.36

NAD 83 (HPGN)
Y = 6,846,254.71
X = 834,990.48
NAD 27
Y = 296,793.52
X = 558,172.89

NAD 83 (HPGN)
Y = 6,843,682.67
X = 835,586.76
NAD 27
Y = 294,215.88
X = 558,744.57

UNIVERSITY 7-27 #5
NAD 83 (HPGN)
Y = 6,843,870.35
X = 833,468.84
NAD 27
Y = 294,423.74
X = 556,628.57
ELEV. = 2930.28'

UNIVERSITY 7-30 #1
NAD 83 (HPGN)
Y = 6,842,584.76
X = 833,766.03
NAD 27
Y = 293,135.36
X = 556,913.46
ELEV. = 2932.91'

UNIVERSITY 7-27 #3
NAD 83 (HPGN)
Y = 6,845,159.05
X = 833,175.89
NAD 27
Y = 295,715.19
X = 556,347.94
ELEV. = 2920.14'

UNIVERSITY 7-30 #15
NAD 83 (HPGN)
Y = 6,838,706.24
X = 834,707.54
NAD 27
Y = 289,247.99
X = 557,817.87
ELEV. = 2916.90'

UNIVERSITY 7-30 #11
NAD 83 (HPGN)
Y = 6,841,284.89
X = 834,005.98
NAD 27
Y = 291,833.25
X = 557,140.98
ELEV. = 2926.53'

UNIVERSITY 7-30 #2
NAD 83 (HPGN)
Y = 6,840,073.54
X = 834,337.73
NAD 27
Y = 290,618.77
X = 557,461.14
ELEV. = 2922.50'

NAD 83 (HPGN)
Y = 6,837,319.11
X = 831,645.20
NAD 27
Y = 287,890.10
X = 554,742.46

J.H. OBRIEN
A-945
SF-6944
BLOCK HA, SECTION 5
MARTIN COUNTY

OFFSET OPERATOR:
BURLESON

LINE	BEARING	DISTANCE
L1	S 72°12'02" W	708.18'
L2	S 13°03'08" E	99.00'
L3	S 13°03'08" E	7751.31'
L4	S 13°03'08" E	99.00'

GENERAL NOTES

1. COORDINATES SHOWN ARE BASED ON TEXAS COORDINATE SYSTEM OF NAD 83 (HPGN) "TEXAS NORTH CENTRAL ZONE", AND BASED ON "GLASS" NGSS MONUMENT (Y = 6,817,164.36, X = 834,131.39)
2. VERTICAL DATUM IS NAVD 88
3. LATITUDE AND LONGITUDE ARE NAD 83 (HPGN) AS SHOWN
4. AREA, DISTANCES, AND COORDINATES ARE "GRID"
5. UNITS ARE UNITED STATES SURVEY FOOT.
6. ALL LEASE AND TRACT INFORMATION SHOWN HERE ON IS DONE SO BY LIMITED DEED RECORD INFORMATION ONLY. ALL ACREAGES SHOWN ARE BY DEED AND LEASE CALL, EXCEPT WHERE NOTED. THIS IS NOT IN ANY WAY A "BOUNDARY SURVEY".

I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT SURFACE LOCATION AS STAKED ON THE GROUND.

John E. Kowalik
JOHN E. KOWALIK
REGISTERED PROFESSIONAL LAND SURVEYOR
STATE OF TEXAS NO. 6408



PLAT OF:
A PROPOSED WELL LOCATION FOR:
QEP ENERGY COMPANY
UNIVERSITY 7-2730 UNIT
UNIVERSITY 7-2730 S 08SC
SITUATED IN THE UNIVERSITY LANDS, BLOCK 7, SECTIONS 27 AND 30, AND BEING APPROXIMATELY 21.6 MILES NORTHEAST OF ANDREWS IN MARTIN COUNTY, TEXAS.



DATE: 10-26-2016
DRAWN BY: GG
CHECKED BY: JK
FIELD CREW: RE
PROJECT NO: 2016090810
SCALE: 1" = 1000'
SHEET: 1 OF 1
REVISION: 2

PLOT DATE: 10/27/16 2:30 P.M.