

API No. <u>42-317-40597</u> Drilling Permit # <u>820023</u> SWR Exception Case/Docket No. <u>08-0302517</u> (R38)		<b>RAILROAD COMMISSION OF TEXAS</b> <b>OIL &amp; GAS DIVISION</b> <b>APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER</b> <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>				<b>FORM W-1</b> 07/2004 Permit Status: <b>Approved</b>	
1. RRC Operator No. <b>684474</b>		2. Operator's Name (as shown on form P-5, Organization Report) <b>QEP ENERGY COMPANY</b>			3. Operator Address (include street, city, state, zip): <b>ATTN SOUTHERN DIV REGULATORY</b> <b>1050 17TH ST SUITE 800</b> <b>DENVER, CO 80265-0000</b>		
4. Lease Name <b>UNIVERSITY 7-2730</b>			5. Well No. <b>S 08SC</b>				
<b>GENERAL INFORMATION</b>							
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 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 <b>9600</b>		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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>SURFACE LOCATION AND ACREAGE INFORMATION</b>							
11. RRC District No. <b>08</b>		12. County <b>MARTIN</b>		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 <b>27</b>	16. Block <b>7</b>	17. Survey <b>UL</b>		18. Abstract No. <b>A-U27</b>	19. Distance to nearest lease line: <u>100</u> ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <b>963</b>	
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				
<b>FIELD INFORMATION List all fields of anticipated completion including Wildcat. List one zone per line.</b>							
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	85280300	SPRABERRY (TREND AREA)		Oil or Gas Well	9600	135.00	
<b>BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)</b>							
<b>Remarks</b> See W1 Comments attached				<b>Certificate:</b> 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>Melissa Luke, Regulatory Affairs</u>            Name of filer   <u>(303)3083610</u>            Phone         </div> <div> <u>Nov 02, 2016</u>            Date submitted   <u>melissa.luke@qepres.com</u>            E-mail Address (OPTIONAL)         </div> </div>			
<b>RRC Use Only</b>							
Data Validation Time Stamp: Nov 30, 2016 3:18 PM( Current Version )							

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

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

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

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

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Permit #	820023
Approved Date:	Nov 30, 2016

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

5. Field as shown on Form W-1	<b>SPRABERRY (TREND AREA) (Field # 85280300, RRC District 08)</b>
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6. Section <b>30</b>	7. Block <b>7</b>	8. Survey <b>UL / A-U30</b>	9. Abstract	10. County of BHL <b>MARTIN</b>
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	11. Terminus Lease Line Perpendiculars _____ <b>1</b> _____ ft. from the _____ <b>SOUTH</b> _____ line. and _____ <b>2310</b> _____ ft. from the _____ <b>EAST</b> _____ line
	12. Terminus Survey Line Perpendiculars _____ <b>1</b> _____ ft. from the _____ <b>SOUTH</b> _____ line. and _____ <b>2310</b> _____ ft. from the _____ <b>EAST</b> _____ line
	13. Penetration Point Lease Line Perpendiculars _____ <b>1</b> _____ ft. from the _____ <b>NORTH</b> _____ line. and _____ <b>2310</b> _____ ft. from the _____ <b>EAST</b> _____ 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 Burleson....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**

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

PERMIT NUMBER <div align="center">820023</div>	DATE PERMIT ISSUED OR AMENDED <div align="center">Nov 30, 2016</div>	DISTRICT <div align="center">* 08</div>																																																		
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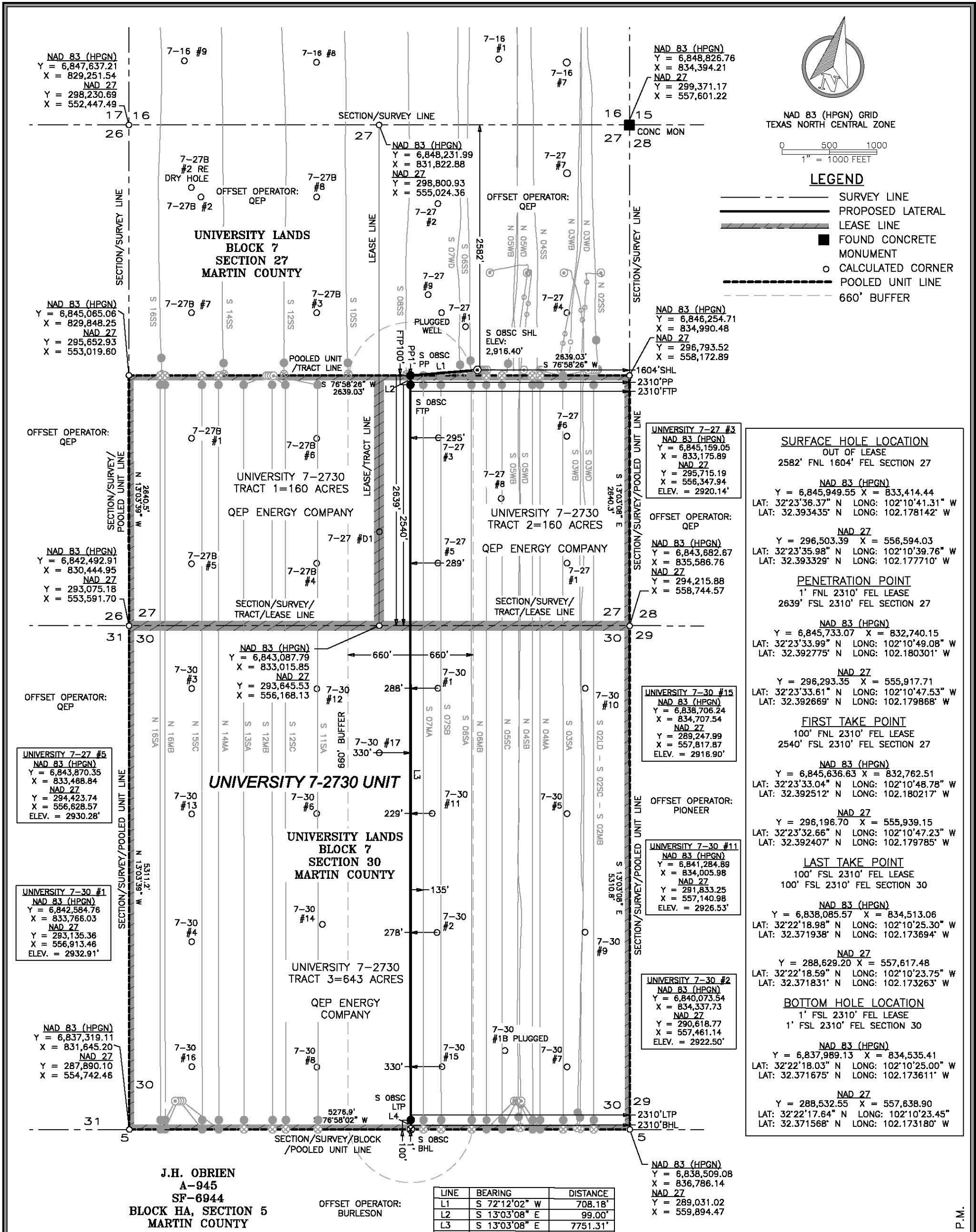
**RAILROAD COMMISSION OF TEXAS  
OIL & GAS DIVISION  
SWR #13 Formation Data**

**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>





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



**FSC INC**  
SURVEYORS + ENGINEERS  
550 Bailey Ave., 205 - Fort Worth, TX 76107  
Ph: 817.349.9800 - Fax: 979.732.5271  
TBPE Firm 17957 | TBPLS Firm 10193887  
www.fscinc.net  
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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.