

API No. <u>42-317-40600</u>	RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION				FORM W-1 07/2004	
Drilling Permit # <u>820027</u>	APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER				Permit Status: Approved	
SWR Exception Case/Docket No. <u>08-0302521 (R38)</u>	<i>This facsimile W-1 was generated electronically from data submitted to the RRC. A certification of the automated data is available in the RRC's Austin office.</i>					
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. N 10SC				
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 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 9550		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		
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 30	16. Block 7	17. Survey UL		18. Abstract No. A-U30	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>300</u> ft from the <u>FSL</u> line and <u>2582</u> ft from the <u>FEL</u> line.		22. Survey Perpendiculars: <u>300</u> ft from the <u>FSL</u> line and <u>2582</u> ft from the <u>FEL</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
08	85280300	SPRABERRY (TREND AREA)		Oil or Gas Well	9550	330.00
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>Kelly Hamden, Regulatory Analyst</u> <u>Nov 02, 2016</u> Name of filer Date submitted <u>(303)405-6630</u> <u>Kelly.Hamden@qepres.com</u> Phone E-mail Address (OPTIONAL)		
RRC Use Only Data Validation Time Stamp: Nov 30, 2016 3:45 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 # **820027**
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. N 10SC
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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 27	7. Block 7	8. Survey UL / A-U27	9. Abstract	10. County of BHL MARTIN
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11. Terminus Lease Line Perpendiculars 1 ft. from the FNL line. and 2310 ft. from the FWL line
12. Terminus Survey Line Perpendiculars 2639 ft. from the FSL line. and 2310 ft. from the FWL line
13. Penetration Point Lease Line Perpendiculars 1 ft. from the FSL line. and 2310 ft. from the FWL line

Permit Status: **Approved**

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

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W-1 Comments

Permit # **820027**

Approved Date: **Nov 30, 2016**

[RRC STAFF Nov 7, 2016 5:28 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Nov 7, 2016 5:28 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 3:42 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 5:40 PM]: SHL and BHL abstract info added.; [RRC STAFF Nov 10, 2016 7:50 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>

GROUNDWATER PROTECTION DETERMINATION

Form GW-2



Groundwater Advisory Unit

Date Issued:	29 August 2016	GAU Number:	159200
Attention:	QEP ENERGY COMPANY ATTN SOUTHERN DIV DENVER, CO 80265	API Number:	31740531
Operator No.:	684474	County:	MARTIN
		Lease Name:	UNIVERSITY 7-2730
		Lease Number:	
		Well Number:	S 02LD
		Total Vertical Depth:	8100
		Latitude:	32.394210
		Longitude:	-102.173814
		Datum:	NAD27

Purpose: New Drill
Location: Survey-UL; Block-7; Section-27

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 must be protected.

This recommendation is applicable for all wells drilled in this University 7-2730 Lease in Sections 27 and 30.

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 08/26/2016. 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

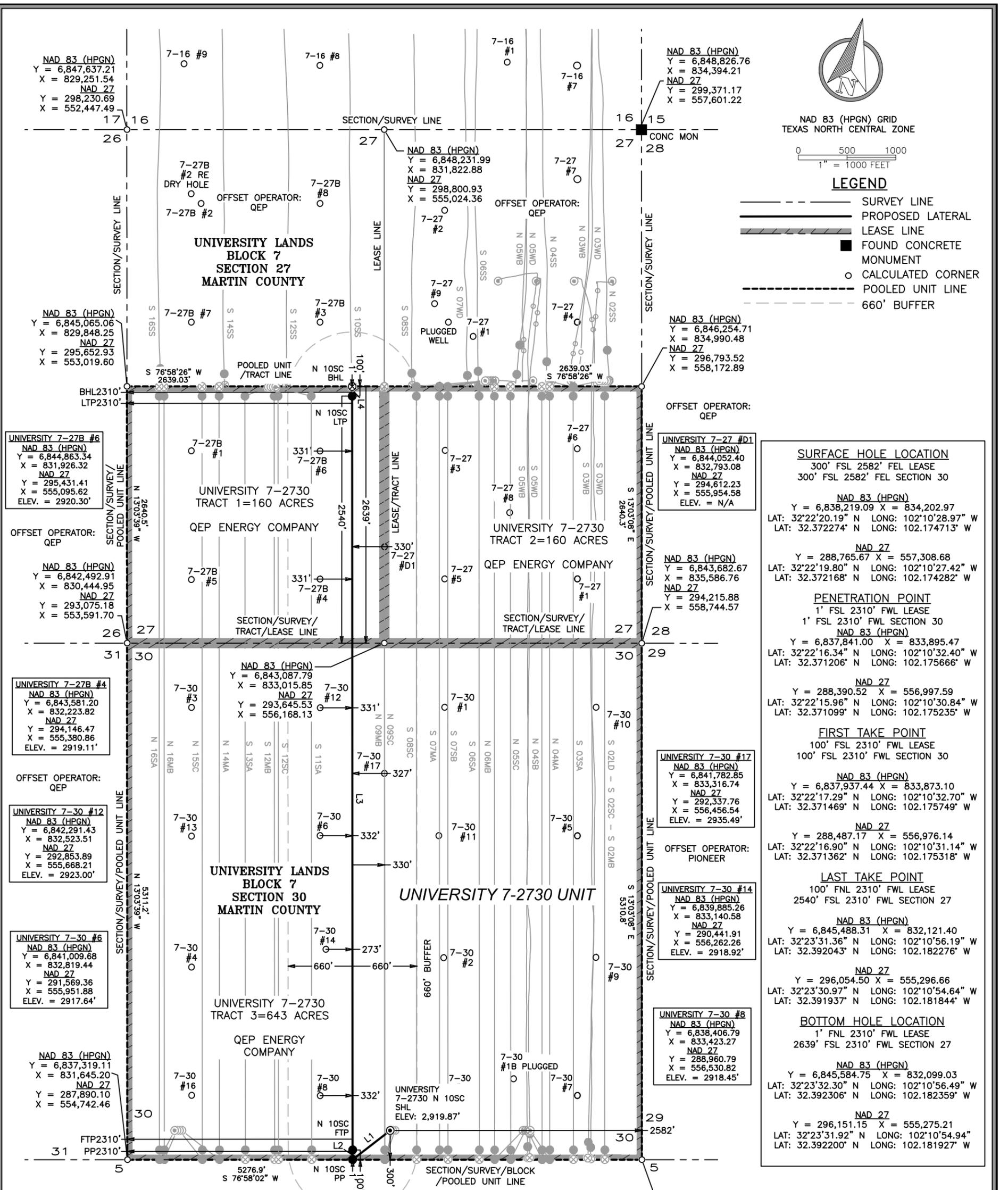


NAD 83 (HPGN) GRID
TEXAS NORTH CENTRAL ZONE

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
300' FSL 2582' FEL LEASE
300' FSL 2582' FEL SECTION 30

NAD 83 (HPGN)
Y = 6,838,219.09 X = 834,202.97
LAT: 32°22'20.19" N LONG: 102°10'28.97" W
LAT: 32.372274° N LONG: 102.174713° W

NAD 27
Y = 288,765.67 X = 557,308.68
LAT: 32°22'19.80" N LONG: 102°10'27.42" W
LAT: 32.372168° N LONG: 102.174282° W

PENETRATION POINT
1' FSL 2310' FWL LEASE
1' FSL 2310' FWL SECTION 30

NAD 83 (HPGN)
Y = 6,837,841.00 X = 833,895.47
LAT: 32°22'16.34" N LONG: 102°10'32.40" W
LAT: 32.371206° N LONG: 102.175666° W

NAD 27
Y = 288,390.52 X = 556,997.59
LAT: 32°22'15.96" N LONG: 102°10'30.84" W
LAT: 32.371099° N LONG: 102.175235° W

FIRST TAKE POINT
100' FSL 2310' FWL LEASE
100' FSL 2310' FWL SECTION 30

NAD 83 (HPGN)
Y = 6,837,937.44 X = 833,873.10
LAT: 32°22'17.29" N LONG: 102°10'32.70" W
LAT: 32.371469° N LONG: 102.175749° W

NAD 27
Y = 288,487.17 X = 556,976.14
LAT: 32°22'16.90" N LONG: 102°10'31.14" W
LAT: 32.371362° N LONG: 102.175318° W

LAST TAKE POINT
100' FNL 2310' FWL LEASE
2540' FSL 2310' FWL SECTION 27

NAD 83 (HPGN)
Y = 6,845,488.31 X = 832,121.40
LAT: 32°23'31.36" N LONG: 102°10'56.19" W
LAT: 32.392043° N LONG: 102.182276° W

NAD 27
Y = 296,054.50 X = 555,296.66
LAT: 32°23'30.97" N LONG: 102°10'54.64" W
LAT: 32.391937° N LONG: 102.181844° W

BOTTOM HOLE LOCATION
1' FNL 2310' FWL LEASE
2639' FSL 2310' FWL SECTION 27

NAD 83 (HPGN)
Y = 6,845,584.75 X = 832,099.03
LAT: 32°23'32.30" N LONG: 102°10'56.49" W
LAT: 32.392306° N LONG: 102.182359° W

NAD 27
Y = 296,151.15 X = 555,275.21
LAT: 32°23'31.92" N LONG: 102°10'54.94" W
LAT: 32.392200° N LONG: 102.181927° W

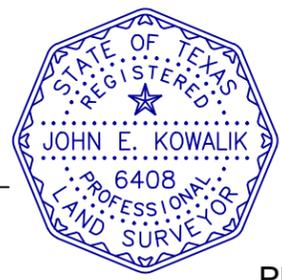
LINE	BEARING	DISTANCE
L1	S 39°07'19" W	487.35'
L2	N 13°03'39" W	99.00'
L3	N 13°03'39" W	7751.39'
L4	N 13°03'39" W	99.00'

J.H. OBRIEN
A-945
SF-6944
BLOCK 7A, SECTION 5
MARTIN COUNTY

OFFSET OPERATOR:
BURLESON

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

John 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 N 10SC
SITUATED IN THE UNIVERSITY LANDS, BLOCK 7, SECTIONS 27 AND 30, AND BEING APPROXIMATELY 21.6 MILES NORTHEAST OF ANDREWS IN MARTIN COUNTY, TEXAS.

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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QEP ENERGY

DATE: 10-26-2016
DRAWN BY: GG
CHECKED BY: JK
FIELD CREW: RE
PROJECT NO: 2016090813
SCALE: 1" = 1000'
SHEET: 1 OF 1
REVISION: 2

PLOT DATE: 10/27/16 1:30 P.M.