

API No. <u>42-383-39858</u> Drilling Permit # <u>825451</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. 682074		2. Operator's Name (as shown on form P-5, Organization Report) PT PETROLEUM, LLC		3. Operator Address (include street, city, state, zip): 2701 DALLAS PARKWAY STE 580 PLANO, TX 75093-0000			
4. Lease Name UNIVERSITY ORANGE		5. Well No. 1041A					
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 12000		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. 7C		12. County REAGAN		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>14.1</u> miles in a <u>SE</u> direction from <u>Rankin</u> which is the nearest town in the county of the well site.							
15. Section 4		16. Block 1		17. Survey UL		18. Abstract No. A-U4	
				19. Distance to nearest lease line: 100 ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: 14638.59	
21. Lease Perpendiculars: <u>2344</u> ft from the <u>WEST</u> line and <u>10491</u> ft from the <u>NORTH</u> line.							
22. Survey Perpendiculars: <u>2344</u> ft from the <u>WEST</u> line and <u>100</u> ft from the <u>SOUTH</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	85279200	SPRABERRY (TREND AREA)		Oil or Gas Well	12000	23220.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)							
Remarks [RRC STAFF Apr 19, 2017 4:30 PM]: Clearer plat attached.; [RRC STAFF Apr 20, 2017 1:42 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Apr 24, 2017 1:41 PM]: Problems identified with this permit are resolved.				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;"> <div> <u>Ann Ritchie</u> Name of filer </div> <div> <u>Apr 12, 2017</u> Date submitted </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <u>(432)6846381</u> Phone </div> <div> <u>ann.wtor@gmail.com</u> E-mail Address (OPTIONAL) </div> </div>			
RRC Use Only Data Validation Time Stamp: Apr 26, 2017 10:18 AM(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**

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

*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.*

Permit #	825451
Approved Date:	Apr 26, 2017

1. RRC Operator No. 682074	2. Operator's Name (exactly as shown on form P-5, Organization Report) PT PETROLEUM, LLC	3. Lease Name UNIVERSITY ORANGE	4. Well No. 1041A
Lateral Drainhole Location Information			
5. Field as shown on Form W-1 SPRABERRY (TREND AREA) (Field # 85279200, RRC District 7C)			
6. Section 9	7. Block 1	8. Survey UL / A-U9	9. Abstract
		10. County of BHL REAGAN	
11. Terminus Lease Line Perpendiculars 100 ft. from the North line. and 343 ft. from the East line			
12. Terminus Survey Line Perpendiculars 100 ft. from the North line. and 2360 ft. from the West line			
13. Penetration Point Lease Line Perpendiculars 100 ft. from the South line. and 1028 ft. from the East line			

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">825451</div>	DATE PERMIT ISSUED OR AMENDED <div align="center">Apr 26, 2017</div>	DISTRICT <div align="center">* 7C</div>																
API NUMBER <div align="center">42-383-39858</div>	FORM W-1 RECEIVED <div align="center">Apr 12, 2017</div>	COUNTY <div align="center">REAGAN</div>																
TYPE OF OPERATION <div align="center">NEW DRILL</div>	WELLBORE PROFILE(S) <div align="center">Horizontal</div>	ACRES <div align="center">14638.59</div>																
OPERATOR <div align="center">PT PETROLEUM, LLC 2701 DALLAS PARKWAY STE 580 PLANO, TX 75093-0000</div>		682074	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 ORANGE</div>		WELL NUMBER <div align="center">1041A</div>																
LOCATION <div align="center">14.1 miles SE direction from RANKIN</div>		TOTAL DEPTH <div align="center">12000</div>																
Section, Block and/or Survey <div> SECTION ◀ 4 BLOCK ◀ 1 ABSTRACT ◀ U4 SURVEY ◀ UL </div>																		
DISTANCE TO SURVEY LINES <div align="center">2344 ft. WEST 100 ft. SOUTH</div>		DISTANCE TO NEAREST LEASE LINE <div align="center">100 ft.</div>																
DISTANCE TO LEASE LINES <div align="center">2344 ft. WEST 10491 ft. NORTH</div>		DISTANCE TO NEAREST WELL ON LEASE <div align="center">See FIELD(s) Below</div>																
FIELD(s) and LIMITATIONS: <div align="center">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</div>																		
<table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:60%;">FIELD NAME LEASE NAME</th> <th style="width:10%;">ACRES NEAREST LEASE</th> <th style="width:10%;">DEPTH</th> <th style="width:10%;">WELL # NEAREST WE</th> <th style="width:10%;">DIST</th> </tr> </thead> <tbody> <tr> <td>SPRABERRY (TREND AREA)</td> <td align="center">14638.59</td> <td align="center">12,000</td> <td align="center">1041A</td> <td align="center">7C</td> </tr> <tr> <td>UNIVERSITY ORANGE</td> <td align="center">100</td> <td></td> <td align="center">23220</td> <td></td> </tr> </tbody> </table>				FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH	WELL # NEAREST WE	DIST	SPRABERRY (TREND AREA)	14638.59	12,000	1041A	7C	UNIVERSITY ORANGE	100		23220	
FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH	WELL # NEAREST WE	DIST														
SPRABERRY (TREND AREA)	14638.59	12,000	1041A	7C														
UNIVERSITY ORANGE	100		23220															
----- WELLBORE PROFILE(s) FOR FIELD: Horizontal -----																		
RESTRICTIONS: Lateral: TH1 Penetration Point Location Lease Lines: 100.0 F SOUTH L 1028.0 F EAST L Terminus Location BH County: REAGAN Section: 9 Block: 1 Abstract: Survey: UL / A-U9 Lease Lines: 100.0 F NORTH L 343.0 F EAST L Survey Lines: 100.0 F NORTH L 2360.0 F WEST L																		
<div align="center">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>																		

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 style="text-align: right;">825451</div>	DATE PERMIT ISSUED OR AMENDED <div style="text-align: center;">Apr 26, 2017</div>	DISTRICT <div style="text-align: center;">* 7C</div>										
API NUMBER <div style="text-align: right;">42-383-39858</div>	FORM W-1 RECEIVED <div style="text-align: center;">Apr 12, 2017</div>	COUNTY <div style="text-align: center;">REAGAN</div>										
TYPE OF OPERATION <div style="text-align: center;">NEW DRILL</div>	WELLBORE PROFILE(S) <div style="text-align: center;">Horizontal</div>	ACRES <div style="text-align: center;">14638.59</div>										
OPERATOR <div style="text-align: right;">682074</div> PT PETROLEUM, LLC 2701 DALLAS PARKWAY STE 580 PLANO, TX 75093-0000		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: (325) 657-7450										
LEASE NAME <div style="text-align: center;">UNIVERSITY ORANGE</div>		WELL NUMBER <div style="text-align: center;">1041A</div>										
LOCATION <div style="text-align: center;">14.1 miles SE direction from RANKIN</div>		TOTAL DEPTH <div style="text-align: center;">12000</div>										
Section, Block and/or Survey SECTION ◀ 4 BLOCK ◀ 1 ABSTRACT ◀ U4 SURVEY ◀ UL												
DISTANCE TO SURVEY LINES <div style="text-align: center;">2344 ft. WEST 100 ft. SOUTH</div>		DISTANCE TO NEAREST LEASE LINE <div style="text-align: center;">100 ft.</div>										
DISTANCE TO LEASE LINES <div style="text-align: center;">2344 ft. WEST 10491 ft. NORTH</div>		DISTANCE TO NEAREST WELL ON LEASE <div style="text-align: center;">See FIELD(s) Below</div>										
FIELD(s) and LIMITATIONS: <div style="text-align: center;">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</div>												
<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">FIELD NAME</td> <td style="width: 15%;">ACRES</td> <td style="width: 15%;">DEPTH</td> <td style="width: 10%;">WELL #</td> <td style="width: 10%;">DIST</td> </tr> <tr> <td>LEASE NAME</td> <td>NEAREST LEASE</td> <td></td> <td>NEAREST WE</td> <td></td> </tr> </table>			FIELD NAME	ACRES	DEPTH	WELL #	DIST	LEASE NAME	NEAREST LEASE		NEAREST WE	
FIELD NAME	ACRES	DEPTH	WELL #	DIST								
LEASE NAME	NEAREST LEASE		NEAREST WE									
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.												

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

REAGAN (383) County

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
GRAYBURG	1,500	2,500		1	12/17/2013
QUEEN	1,900	2,500		2	12/17/2013
SAN ANDRES	2,000	5,000	saltwater flow, possibly heavy	3	12/17/2013
CLEARFORK	3,300	4,000		4	12/17/2013
SPRABERRY	3,300	10,000		5	12/17/2013
STRAWN	9,300	10,200		6	12/17/2013
FUSSELMAN	8,800	11,000		7	12/17/2013
ELLENBURGER	8,700	10,500		8	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: 19 April 2017**GAU Number:** 170616**Attention:** PT PETROLEUM, LLC
2701 DALLAS PARKWAY STE
PLANO, TX 75093**Operator No.:** 682074**API Number:**
County: REAGAN
Lease Name: University Orange
Lease Number:
Well Number: 1041A
Total Vertical Depth: 12000
Latitude: 31.128751
Longitude: -101.731963
Datum: NAD27**Purpose:** New Drill**Location:** Survey-UL; Block-1; Section-4

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 20 feet below the base of the Cretaceous-age beds must be protected. The base of the Cretaceous is estimated to occur at a depth between 700 and 750 feet.

This recommendation is applicable to all wells within a radius of 650 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 04/17/2017. 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

