

API No. <u>42-383-39868</u> Drilling Permit # <u>826216</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. 766370		2. Operator's Name (as shown on form P-5, Organization Report) SEM OPERATING COMPANY LLC		3. Operator Address (include street, city, state, zip): SUITE 1850 2050 WEST SAM HOUSTON PKWY S HOUSTON, TX 77042-0000			
4. Lease Name UNIVERSITY 9		5. Well No. 2901WB					
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 8000		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>8.1</u> miles in a <u>NW</u> direction from <u>Big Lake</u> which is the nearest town in the county of the well site.							
15. Section 29		16. Block 9		17. Survey UL		18. Abstract No. A-	
				19. Distance to nearest lease line: 100 ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: 5812.2	
21. Lease Perpendiculars: <u>7368</u> ft from the <u>SOTH</u> line and <u>430</u> ft from the <u>EAST</u> line. 22. Survey Perpendiculars: <u>2046</u> ft from the <u>SOUTH</u> line and <u>430</u> ft from the <u>EAST</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	53613750	LIN (WOLFCAMP)		Oil or Gas Well	8000	3547.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)							
Remarks [RRC STAFF May 9, 2017 1:18 PM]: Lease plat found 820774				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>Amber Moore</u> Name of filer </div> <div> <u>May 03, 2017</u> Date submitted </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <u>(432)2182001</u> Phone </div> <div> <u>amoore@sequitirenergy.com</u> E-mail Address (OPTIONAL) </div> </div>			
RRC Use Only							
Data Validation Time Stamp: May 9, 2017 2:39 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**

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

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A certification of the automated data is available in the RRC's Austin office.*

Permit #	826216
Approved Date:	May 09, 2017

1. RRC Operator No. 766370	2. Operator's Name (exactly as shown on form P-5, Organization Report) SEM OPERATING COMPANY LLC	3. Lease Name UNIVERSITY 9	4. Well No. 2901WB
Lateral Drainhole Location Information			
5. Field as shown on Form W-1 LIN (WOLFCAMP) (Field # 53613750, RRC District 7C)			
6. Section 20	7. Block 9	8. Survey UL	9. Abstract
		10. County of BHL REAGAN	
11. Terminus Lease Line Perpendiculars 5 ft. from the North line. and 330 ft. from the East line			
12. Terminus Survey Line Perpendiculars 5 ft. from the North line. and 300 ft. from the East line			
13. Penetration Point Lease Line Perpendiculars 8038 ft. from the South line. and 330 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 826216	DATE PERMIT ISSUED OR AMENDED May 09, 2017	DISTRICT * 7C	
API NUMBER 42-383-39868	FORM W-1 RECEIVED May 03, 2017	COUNTY REAGAN	
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Horizontal	ACRES 5812.2	
OPERATOR SEM OPERATING COMPANY LLC SUITE 1850 2050 WEST SAM HOUSTON PKWY S HOUSTON, TX 77042-0000		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 UNIVERSITY 9		WELL NUMBER 2901WB	
LOCATION 8.1 miles NW direction from BIG LAKE		TOTAL DEPTH 8000	
Section, Block and/or Survey SECTION ◀ 29 BLOCK ◀ 9 ABSTRACT ◀ SURVEY ◀ UL			
DISTANCE TO SURVEY LINES 2046 ft. SOUTH 430 ft. EAST		DISTANCE TO NEAREST LEASE LINE 100 ft.	
DISTANCE TO LEASE LINES 7368 ft. SOTH 430 ft. EAST		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below	
FIELD(s) and LIMITATIONS: <p align="center">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</p>			
FIELD NAME LEASE NAME		ACRES NEAREST LEASE	DEPTH NEAREST LEASE
----- LIN (WOLFCAMP) UNIVERSITY 9 -----		5812.20 100	8,000
----- WELLBORE PROFILE(s) FOR FIELD: Horizontal -----		2901WB 3547 	
RESTRICTIONS: Lateral: TH1 Penetration Point Location Lease Lines: 8038.0 F SOUTH L 330.0 F EAST L Terminus Location BH County: REAGAN Section: 20 Block: 9 Abstract: Survey: UL Lease Lines: 5.0 F NORTH L 330.0 F EAST L Survey Lines: 5.0 F NORTH L 300.0 F EAST L			
<p align="center">THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS</p> <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;">826216</div>	DATE PERMIT ISSUED OR AMENDED <div style="text-align: center;">May 09, 2017</div>	DISTRICT <div style="text-align: center;">* 7C</div>										
API NUMBER <div style="text-align: right;">42-383-39868</div>	FORM W-1 RECEIVED <div style="text-align: center;">May 03, 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;">5812.2</div>										
OPERATOR <div style="text-align: right;">766370</div> <div style="text-align: center;">SEM OPERATING COMPANY LLC</div> <div>SUITE 1850 2050 WEST SAM HOUSTON PKWY S HOUSTON, TX 77042-0000</div>		NOTICE This permit and any allowable assigned may be revoked if payment for fee(s) submitted to the Commission is not honored. <div style="text-align: center;">District Office Telephone No: (325) 657-7450</div>										
LEASE NAME <div style="text-align: center;">UNIVERSITY 9</div>		WELL NUMBER <div style="text-align: center;">2901WB</div>										
LOCATION <div style="text-align: center;">8.1 miles NW direction from BIG LAKE</div>		TOTAL DEPTH <div style="text-align: center;">8000</div>										
Section, Block and/or Survey <div> SECTION 29 BLOCK 9 ABSTRACT </div> <div> SURVEY UL </div>												
DISTANCE TO SURVEY LINES <div style="text-align: center;">2046 ft. SOUTH 430 ft. EAST</div>		DISTANCE TO NEAREST LEASE LINE <div style="text-align: center;">100 ft.</div>										
DISTANCE TO LEASE LINES <div style="text-align: center;">7368 ft. SOTH 430 ft. EAST</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; margin-top: 20px;">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</div> <div style="margin-top: 20px;"> <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> </div> <div style="margin-top: 20px;"> <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> </div>			FIELD NAME	ACRES	DEPTH	WELL #	DIST	LEASE NAME	NEAREST LEASE		NEAREST WE	
FIELD NAME	ACRES	DEPTH	WELL #	DIST								
LEASE NAME	NEAREST LEASE		NEAREST WE									

**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: 04 May 2017**GAU Number:** 171662**Attention:** SEM OPERATING COMPANY
SUITE 1850
HOUSTON, TX 77042**Operator No.:** 766370**API Number:**
County: REAGAN
Lease Name: UNIVERSITY 9
Lease Number:
Well Number: 2913WA
Total Vertical Depth: 8000
Latitude: 31.235140
Longitude: -101.592273
Datum: NAD27**Purpose:** New Drill**Location:** Survey-UL; Block-9; Section-29

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 625 and 650 feet.

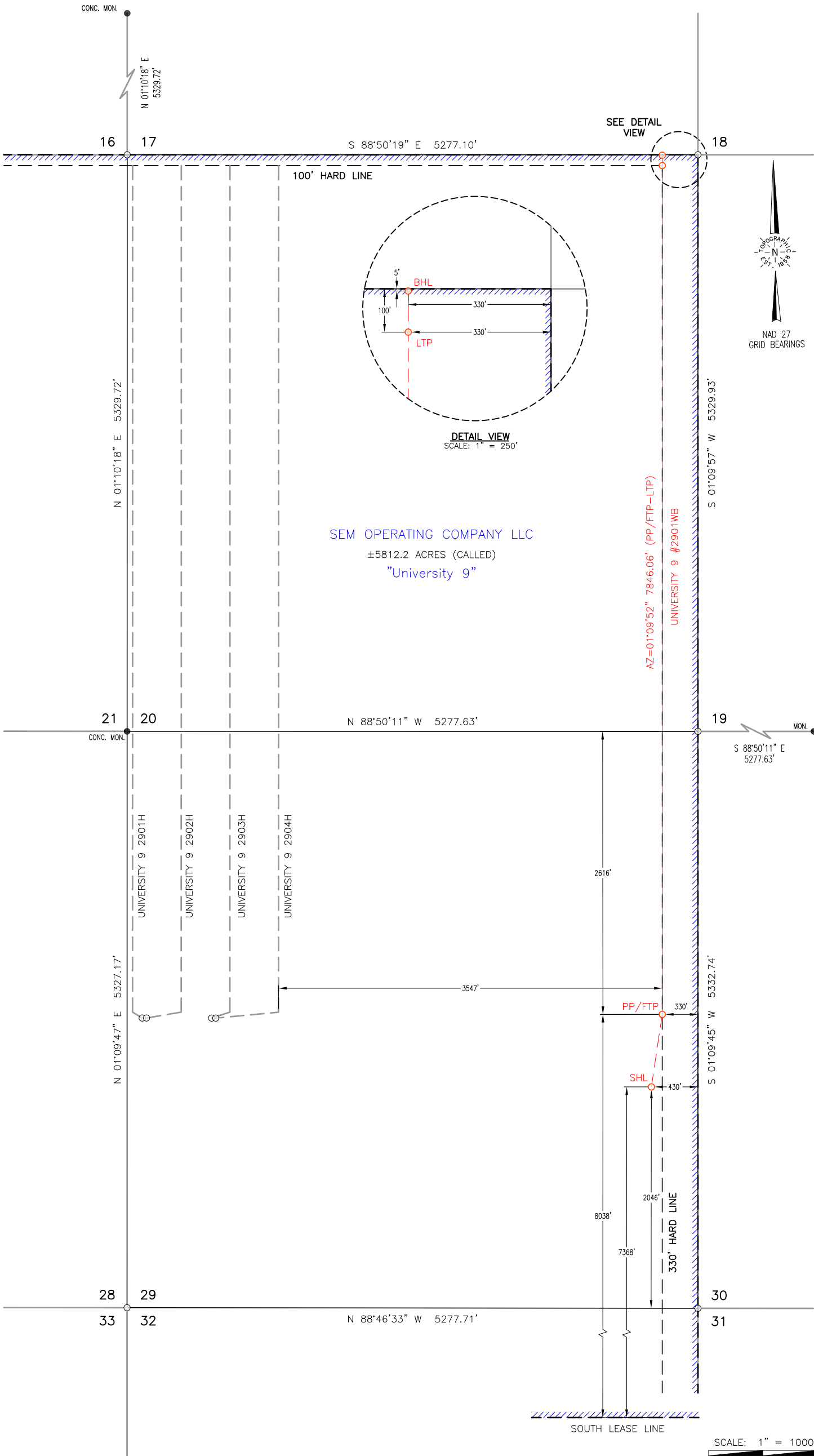
This recommendation is applicable for all wells drilled in this sec. 29.

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 05/04/2017. 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



Surface Hole Location:

GROUND ELEVATION:
SHL Ground Elevation: 2683'

COORDINATES:
NAD 27 TX-C ZONE:
X = 1608426.01 Y = 572598.52
LAT.: N 31°14'06.13" LONG.: W 101°35'10.53"
LAT.: N 31.2350358 LONG.: W 101.5862580
NAD 83 TX-C ZONE:
X = 1904894.02 Y = 10415175.31
LAT.: N 31°14'06.68" LONG.: W 101°35'11.96"
LAT.: N 31.2351880 LONG.: W 101.5866552

SURVEY LINE PERPENDICULARS:

2046' FSL & 430' FEL (SEC. 29)

UNIT LINE PERPENDICULARS:

7368' FSL & 430' FEL

Penetration Point/
First Take Point:

COORDINATES:
NAD 27 TX-C ZONE:
X = 1608539.57 Y = 573266.20
LAT.: N 31°14'12.75" LONG.: W 101°35'09.31"
LAT.: N 31.2368750 LONG.: W 101.5859187
NAD 83 TX-C ZONE:
X = 1905007.59 Y = 10415842.99
LAT.: N 31°14'13.30" LONG.: W 101°35'10.74"
LAT.: N 31.2370271 LONG.: W 101.5863158

SURVEY LINE PERPENDICULARS:

2616' FNL & 330' FEL (SEC. 29)

UNIT LINE PERPENDICULARS:

8038' FSL & 330' FEL

Last Take Point:

COORDINATES:
NAD 27 TX-C ZONE:
X = 1608699.06 Y = 581110.64
LAT.: N 31°15'30.41" LONG.: W 101°35'08.49"
LAT.: N 31.2584466 LONG.: W 101.5856909
NAD 83 TX-C ZONE:
X = 1905167.10 Y = 10423687.43
LAT.: N 31°15'30.95" LONG.: W 101°35'09.92"
LAT.: N 31.2585980 LONG.: W 101.5860881

SURVEY LINE PERPENDICULARS:

100' FNL & 330' FEL (SEC. 20)

UNIT LINE PERPENDICULARS:

100' FNL & 330' FEL

Bottom Hole Location:

COORDINATES:
NAD 27 TX-C ZONE:
X = 1608700.99 Y = 581205.62
LAT.: N 31°15'31.35" LONG.: W 101°35'08.48"
LAT.: N 31.2587078 LONG.: W 101.5856882
NAD 83 TX-C ZONE:
X = 1905169.03 Y = 10423782.41
LAT.: N 31°15'31.89" LONG.: W 101°35'09.91"
LAT.: N 31.2588592 LONG.: W 101.5860854

SURVEY LINE PERPENDICULARS:

5' FNL & 330' FEL (SEC. 20)

UNIT LINE PERPENDICULARS:

5' FNL & 330' FEL

All Coordinates are in NAD 27 TX-C Zone unless otherwise noted.

REV#-BY	DATE REVISED
1-ED	04/12/17

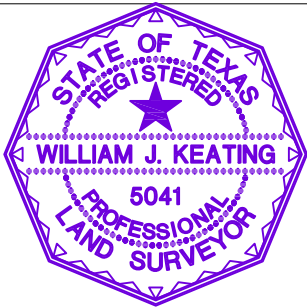
REV#-BY	DATE REVISED
1-XXX	XX/XX/XX

SPECIAL NOTES:

LEGEND		Unit Boundary
		Section Lines
		Block Line
		Powerline
		Pipeline
		Lease Road
		Calculated Corner

CERTIFICATION:

This well location shown on this permit plat was surveyed on the ground under my direct supervision. This plat is for Texas Railroad Commission permit purpose only and should not be considered a boundary survey.



Texas Reg. No. 5041



2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
WWW.TOPOGRAPHIC.COM

Texas FIRM Registration NO. 10042500

LO_UNIVERSITY_9_2901WB_REV1

SEM OPERATING
COMPANY LLC

LEASE NAME & WELL NO.:
UNIVERSITY 9 #2901WB

TOPOGRAPHY & VEGETATION:

NATURAL MESQUITE PASTURE

NEAREST TOWN IN COUNTY:

±8.1 MILES NORTHWEST OF BIG LAKE, TEXAS

LOCATION DESCRIPTION:

SHL/PP/FTP: SECTION 29, BLOCK 9, UNIVERSITY LANDS SURVEY
LTP/BHL: SECTION 20, BLOCK 9, UNIVERSITY LANDS SURVEY
REAGAN COUNTY, TEXAS

Scale: 1" = 1000'

Surveyed: 11-10-2016

ORIGINAL DOC. SIZE: 11"x17"

COGO: 519-89429

Drawn By: MP; 11-29-2016