

API No. <u>42-383-39869</u> Drilling Permit # <u>826219</u> SWR Exception Case/Docket No. _____		<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>766370</b>		2. Operator's Name (as shown on form P-5, Organization Report) <b>SEM OPERATING COMPANY LLC</b>		3. Operator Address (include street, city, state, zip): <b>SUITE 1850</b> <b>2050 WEST SAM HOUSTON PKWY S</b> <b>HOUSTON, TX 77042-0000</b>			
4. Lease Name <b>UNIVERSITY 9</b>		5. Well No. <b>2902WB</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>8000</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>7C</b>		12. County <b>REAGAN</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>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 <b>29</b>		16. Block <b>9</b>		17. Survey <b>UL</b>		18. Abstract No. <b>A-</b>	
				19. Distance to nearest lease line: <b>100</b> ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: <b>5812.2</b>	
21. Lease Perpendiculars: <u>7381</u> ft from the <u>NORTH</u> line and <u>430</u> ft from the <u>EAST</u> line. 22. Survey Perpendiculars: <u>2051</u> ft from the <u>NORTH</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		
<b>FIELD INFORMATION</b> 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	3447.00	
<b>BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)</b>							
<b>Remarks</b>     				<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>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>			
<b>RRC Use Only</b>							
Data Validation Time Stamp: May 9, 2017 2:41 PM( Current Version )							

Permit Status: <b>Approved</b>  <i>The RRC has not approved this application.          Duplication or distribution of information is          at the user's own risk.</i>
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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 #	826219
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. 2902WB
Lateral Drainhole Location Information			
5. Field as shown on Form W-1      LIN (WOLFCAMP) (Field # 53613750, RRC District 7C)			
6. Section 32	7. Block 9	8. Survey UL	9. Abstract
		10. County of BHL REAGAN	
11. Terminus Lease Line Perpendiculars 5 ft. from the      South line. and      330 ft. from the      East line			
12. Terminus Survey Line Perpendiculars 5 ft. from the      South line. and      330 ft. from the      East line			
13. Penetration Point Lease Line Perpendiculars 8046 ft. from the      North 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 <b>826219</b>	DATE PERMIT ISSUED OR AMENDED <b>May 09, 2017</b>	DISTRICT <b>* 7C</b>																																														
API NUMBER <b>42-383-39869</b>	FORM W-1 RECEIVED <b>May 03, 2017</b>	COUNTY <b>REAGAN</b>																																														
TYPE OF OPERATION <b>NEW DRILL</b>	WELLBORE PROFILE(S) <b>Horizontal</b>	ACRES <b>5812.2</b>																																														
OPERATOR  <b>SEM OPERATING COMPANY LLC</b>  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. <b>District Office Telephone No:</b> <b>(325) 657-7450</b>																																														
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<p align="center"><b>THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS</b></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

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<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>												

**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.

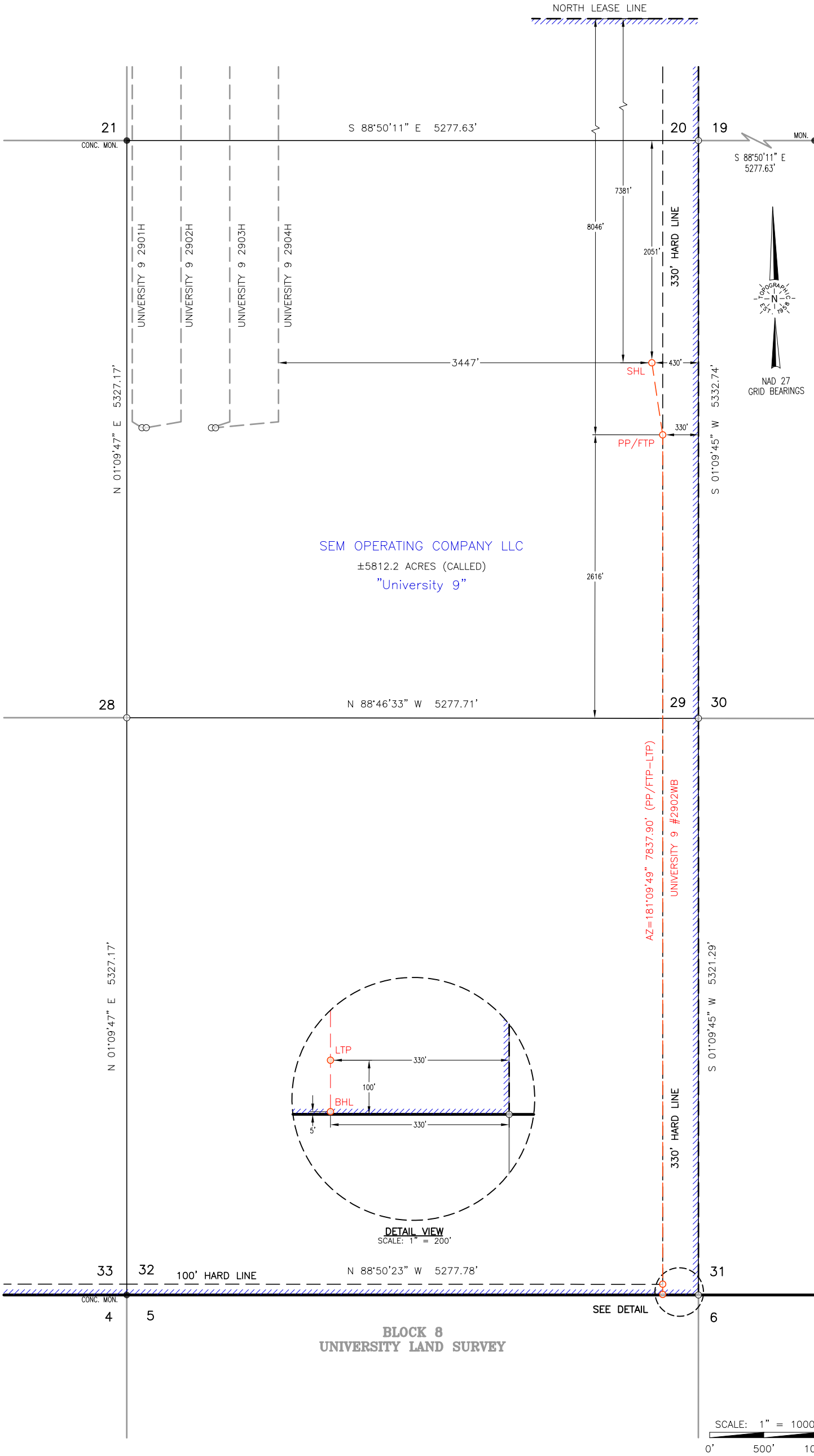
This recommendation is applicable for all wells drilled in this sec. 29.

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: 2677'  
**COORDINATES:**  
**NAD 27 TX-C ZONE:**  
X = 1608451.20 Y = 573833.19  
LAT.: N 31°14'18.35" LONG.: W 101°35'10.40"  
LAT.: N 31.2384311 LONG.: W 101.5862218  
**NAD 83 TX-C ZONE:**  
X = 1904919.22 Y = 10416409.98  
LAT.: N 31°14'18.90" LONG.: W 101°35'11.83"  
LAT.: N 31.2385831 LONG.: W 101.5866190

**SURVEY LINE PERPENDICULARS:**  
2051' FNL & 430' FEL (SEC. 29)  
**UNIT LINE PERPENDICULARS:**  
7381' FNL & 430' FEL

**Penetration Point/  
First Take Point:**  
**COORDINATES:**  
**NAD 27 TX-C ZONE:**  
X = 1608537.54 Y = 573166.22  
LAT.: N 31°14'11.76" LONG.: W 101°35'09.32"  
LAT.: N 31.2366001 LONG.: W 101.5859215  
**NAD 83 TX-C ZONE:**  
X = 1905005.56 Y = 10415743.01  
LAT.: N 31°14'12.31" LONG.: W 101°35'10.75"  
LAT.: N 31.2367522 LONG.: W 101.5863187

**SURVEY LINE PERPENDICULARS:**  
2616' FSL & 330' FEL (SEC. 29)  
**UNIT LINE PERPENDICULARS:**  
8046' FNL & 330' FEL

**Last Take Point:**  
**COORDINATES:**  
**NAD 27 TX-C ZONE:**  
X = 1608378.55 Y = 565329.93  
LAT.: N 31°12'54.18" LONG.: W 101°35'10.13"  
LAT.: N 31.2150507 LONG.: W 101.5861479  
**NAD 83 TX-C ZONE:**  
X = 1904846.53 Y = 10407906.74  
LAT.: N 31°12'54.73" LONG.: W 101°35'11.56"  
LAT.: N 31.2152037 LONG.: W 101.5865451

**SURVEY LINE PERPENDICULARS:**  
100' FSL & 330' FEL (SEC. 32)  
**UNIT LINE PERPENDICULARS:**  
100' FSL & 330' FEL

**Bottom Hole Location:**  
**COORDINATES:**  
**NAD 27 TX-C ZONE:**  
X = 1608376.62 Y = 565234.95  
LAT.: N 31°12'53.24" LONG.: W 101°35'10.14"  
LAT.: N 31.2147896 LONG.: W 101.5861506  
**NAD 83 TX-C ZONE:**  
X = 1904844.60 Y = 10407811.76  
LAT.: N 31°12'53.79" LONG.: W 101°35'11.57"  
LAT.: N 31.2149425 LONG.: W 101.5865478

**SURVEY LINE PERPENDICULARS:**  
5' FSL & 330' FEL (SEC. 32)  
**UNIT LINE PERPENDICULARS:**  
5' FSL & 330' FEL

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

REV#-BY	DATE REVISED	REV#-BY	DATE REVISED
1-MP	11-23-2016	1-XXX	XX/XX/XX
1-ED	04/12/17		

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

WILLIAM J. KEATING  
5041  
PROFESSIONAL  
LAND SURVEYOR

**TOPOGRAPHIC**  
LOYALTY INNOVATION LEGACY

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\_UNIVERSTIY\_9\_2902WB\_REV2

**SEM OPERATING  
COMPANY LLC**

LEASE NAME & WELL NO.:  
**UNIVERSITY 9 #2902WB**  
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 32, BLOCK 9, UNIVERSITY LANDS SURVEY  
REAGAN COUNTY, TEXAS

Scale: 1" = 1000'	Surveyed: 09-19-16	ORIGINAL DOC. SIZE: 11"x17"
COGO: 519-89429		Drawn By: MP; 09-22-2016