

API No. 42-003-41837	<b>RAILROAD COMMISSION OF TEXAS OIL &amp; GAS DIVISION</b>				<b>FORM W-1</b> 07/2004	
Drilling Permit # 698711	<b>APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER</b>				Permit Status: <b>Approved</b>	
<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. 103088	2. Operator's Name (as shown on form P-5, Organization Report) <b>BROWNING OIL COMPANY, INC.</b>			3. Operator Address (include street, city, state, zip):		
4. Lease Name <b>UNIVERSITY 27</b>			5. Well No. <b>1</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 checked="" type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)						
7. Wellbore Profile (mark ALL appropriate boxes): <input checked="" type="checkbox"/> Vertical <input type="checkbox"/> Horizontal (Also File Form W-1H) <input type="checkbox"/> Directional (Also File Form W-1D) <input type="checkbox"/> Sidetrack						
8. Total Depth 8700	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. 08	12. County <b>ANDREWS</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>12.1</u> miles in a <u>SW</u> direction from <u>Frankel City</u> which is the nearest town in the county of the well site.						
15. Section 27	16. Block 12	17. Survey <b>UL</b>		18. Abstract No. A-	19. Distance to nearest lease line: 660 ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: 240
21. Lease Perpendiculars: <u>660</u> ft from the <u>E</u> line and <u>666</u> ft from the <u>S</u> line.						
22. Survey Perpendiculars: <u>660</u> ft from the <u>E</u> line and <u>1980</u> ft from the <u>N</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
08	09250200	BLOCK 12 (DEVONIAN)		Oil Well	8400	0.00
08	00018001	WILDCAT		Oil or Gas Well	8700	0.00
<b>BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS</b>						
<b>Remarks</b> [FILER Nov 2, 2010 3:03 PM]: Add additional field				<b>Certificate:</b> I certify that information stated in this application is true and complete, to the best of my knowledge.		
<b>RRC Use Only</b>				Name of filer <u>Betty Petzold</u> Date submitted <u>Nov 02, 2010</u>		
				Phone <u>(979)5423144</u> E-mail Address (OPTIONAL) <u>betty.p@browningoil.com</u>		
Data Validation Time Stamp: Nov 15, 2010 9:47 AM( Current Version )						

**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>698711</b>	DATE PERMIT ISSUED OR AMENDED (AMENDED) <b>Nov 08, 2010</b>	DISTRICT <b>* 08</b>		
API NUMBER <b>42-003-41837</b>	FORM W-1 RECEIVED <b>Nov 02, 2010</b>	COUNTY <b>ANDREWS</b>		
TYPE OF OPERATION <b>NEW DRILL</b>	WELLBORE PROFILE(S) <b>Vertical</b>	ACRES <b>240</b>		
OPERATOR <b>BROWNING OIL COMPANY, INC.</b>	<b>103088</b>	<b>NOTICE</b> 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>(432) 684-5581</b>		
LEASE NAME <b>UNIVERSITY 27</b>	WELL NUMBER <b>1</b>			
LOCATION <b>12.1 miles SW direction from FRANKEL CITY</b>	TOTAL DEPTH <b>8700</b>			
Section, Block and/or Survey SECTION ◀ <b>27</b> BLOCK ◀ <b>12</b> ABSTRACT ◀ SURVEY ◀ <b>UL</b>				
DISTANCE TO SURVEY LINES <b>660 ft. E    1980 ft. N</b>		DISTANCE TO NEAREST LEASE LINE <b>660 ft.</b>		
DISTANCE TO LEASE LINES <b>660 ft. E    666 ft. S</b>		DISTANCE TO NEAREST WELL ON LEASE <b>See FIELD(s) Below</b>		
FIELD(s) and LIMITATIONS: <p align="center"><b>* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</b></p>				
FIELD NAME LEASE NAME	ACRES NEAREST LEASE	DEPTH NEAREST LEASE	WELL # NEAREST WE	DIST
----- <b>BLOCK 12 (DEVONIAN)</b> <b>UNIVERSITY 27</b>	<b>240.00</b> <b>660</b>	<b>8,400</b> <b>0</b>	<b>1</b> <b>0</b>	<b>08</b>
RESTRICTIONS:    Permitted for oil only. This is a hydrogen sulfide field. This well shall be drilled in accordance with SWR 36.				
----- <b>WILDCAT</b> <b>UNIVERSITY 27</b>	<b>240.00</b> <b>660</b>	<b>8,700</b> <b>0</b>	<b>1</b> <b>0</b>	<b>08</b>
RESTRICTIONS:    This is a hydrogen sulfide field. This well shall be drilled in accordance with SWR 36.				
<b>THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS</b>				
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.				

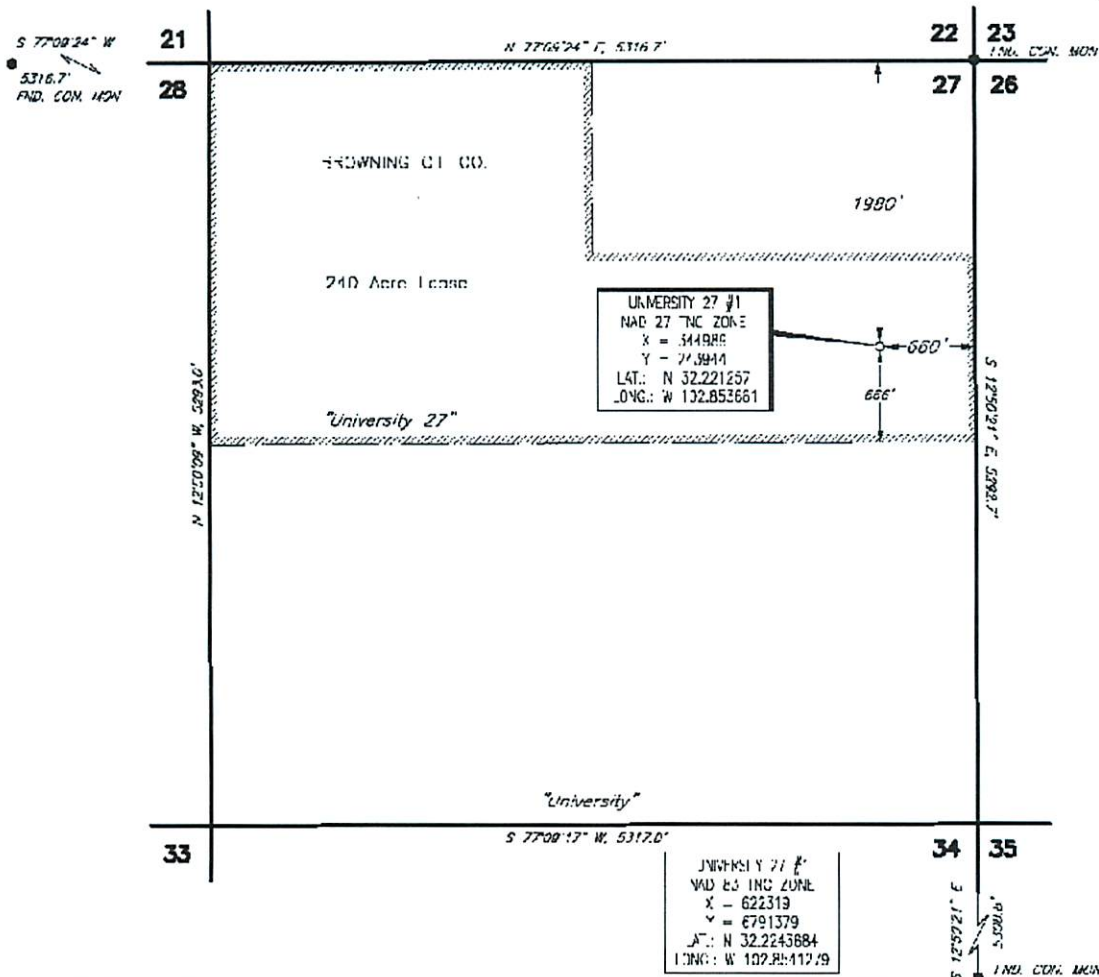
# TOPOGRAPHIC

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 2603 N. BIG SPRING • MIDLAND, TEXAS 76705  
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ANDREWS County, Texas

Description: 1980' ENL & 660' E-L

SECTION 27, BLOCK 12, UNIVERSITY LAND



This location has been very carefully staked on the ground according to the best official survey records, maps, and other data available to us. This data in no way represents a Boundary Survey, and does not comply with current F.S.P.S. Minimum Standards of Procedure for Boundary Surveys.



Operator

Date Staked: JUNE 24, 2010

Lease Name & Well No. UNIVERSITY 27 #1

Ground Elev. 3279'

Topography & Vegetation: NATURAL WISQUITE TAGUERE

Nearest Town in County: ±12.1 MILES SOUTHWEST OF FRANKEL CITY, TEXAS

Driving Directions: FROM JUNCTION OF HWY. 61 & F.M. 2371, GO WEST 1.48 MILES ON F.M. 2371.

THENCE SOUTH 1.4 MILES TO EXISTING WELL 1170' NORTH OF LOCATION.



### CERTIFICATION:

Robert J. Overton, Jr., a Registered Professional Land Surveyor, and an authorized agent of Topographic Land Surveyors, do hereby certify that in my professional opinion the above described well location was surveyed and staked on the ground as shown. This plat is for Texas Railroad Commission permitting only.

*Robert J. Overton Jr.*

Invoice # 157091/577SE S.A.T.

Plot No. 5916