

NEW FIELD DESIGNATION
AND/OR DISCOVERY
ALLOWABLE APPLICATION

READ INSTRUCTIONS ON BACK

1. Operator Name, exactly as shown on P-5 Organization Report WTG Exploration		2. RRC District No. 7C	
3. Address, including city, state, and zip code 401 West Wadley Ave. Midland, Texas 79705-5339		4. County Terrell	
6. Lease Name University Lands 1		5. API No. 42-443-30004	
9. Section 1 Block 35 Survey University Lands		7. Well No. 1	
		8. Drilling Permit No. 693169	
10. Name of Producing Zone Barnett Woodford		11. Distance and direction from subject well to nearest geographic feature (town or other feature) 36.5 miles northeast of Sanderson	
12. Field Name Preference First University Block 34 Second Worth Third Cobblestone		13. Top of reservoir 12700 feet	
		14. Bottom of reservoir 13167 feet	
16. POTENTIAL TEST INFORMATION: Date test form filed with RRC district office _____		15. Perforations from 12671 to 13100 from _____ to _____	
a. <input type="checkbox"/> W-2 filed. _____ BOPD _____ BWPD _____ °API Gravity _____ Csghd Gas Gravity _____ GOR b. <input checked="" type="checkbox"/> G-1 filed. 1997 AOF (McF/D) _____ BHP NA °API Gravity (Cond) .602 Gas Gravity _____ Gas Liq. HC Ratio _____			
17. Nearest production to subject well (oil and/or gas, past or present, regardless of depth)			
a. Field Name Cobblestone		b. Type of production <input type="checkbox"/> Oil <input checked="" type="checkbox"/> Gas	
c. Reservoir Name Penn		d. Depth interval 11,319 to 11,429	
e. Distance and direction from subject well 8,600' north			
18. Nearest comparable production to subject well from same stratigraphic member (oil and/or gas, past or present)			
a. Field Name None in Barnett Woodford Shale.		b. Type of production <input type="checkbox"/> Oil <input type="checkbox"/> Gas	
c. Reservoir Name None		d. Depth interval _____ to _____	
e. Distance and direction from subject well _____			
19. a. Notice of application has been given by furnishing a completed copy of this form to:			
<input type="checkbox"/> Each offset operator. Unleased <input type="checkbox"/> All operators within a 2.5 mile radius of the discovery well in the involved field(s) if this is a newly discovered reservoir in a known producing multi-reservoir structure. Unleased			
b. Date notice was given July 22, 2013			
c. Attach list of names and mailing addresses of those given notice.			
Signature David L. Davis		CERTIFICATE I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that the data and facts stated herein are true, correct, and complete to the best of my knowledge.	
Name David L. Davis			
Title Engineer			
Date July 22, 2013 Phone (432) 682-4030			
FOR RRC — NEW FIELD USE ONLY			
<input type="checkbox"/> Approved _____ Field Name _____ <input type="checkbox"/> Denied _____ Type of _____ <input type="checkbox"/> Hearing _____ Separation _____ <input type="checkbox"/> Set _____		Examiner Name _____ Date _____	

INSTRUCTIONS

Form P-7: Application for New Field Designation and/or Discovery Allowable

Reference: Statewide Rules 16, 41, and 42

Drilling Permit Requirement: A valid drilling permit showing a wildcat field must have been issued before this application can be processed.

Who Files Form P-7: Any operator seeking a new field designation and, for oil wells, a discovery allowable by proving that a new completion is in a reservoir separated both vertically and horizontally from all other reservoirs. Separation may be proved by, but not limited to, subsurface structure, changes in stratigraphy, or differences in fluid contacts or reservoir pressures.

When and Where to File: At the same time as completion papers (W-2 for oil, G-1 for gas). The Form P-7 with attachments (see below) is filed with the Commission in Austin while the completion papers are filed with the appropriate Railroad Commission district office. Wells will not be assigned an allowable until the completion papers and new field application have been approved.

What to File: The original of this form with the following attachments:

1. Legible area map, drawn to scale, preferably 1" equals 2000', showing
 - a. all oil, gas, and abandoned wells within a 2.5 mile radius of the subject well, with
 - (1) producing intervals (perforations) of oil, gas, and once active abandoned wells that penetrate to the same general depth.
 - (2) total depths of all relevant dry holes, and
 - (3) total depths of all wells that have penetrated the subject zone,
 - b. all Railroad Commission-recognized fields, currently active or active in the past, within a 2.5 mile radius of the subject well, identified by
 - (1) Commission-assigned field names,
 - (2) names of producing formations, and
 - (3) approximate average depth of the producing interval.
 - c. scale, legend, and name of person preparing map.
2. List of names and mailing addresses of those given notice.
3. Complete, legible electric log of the well, marking the top and bottom of the designated field interval to correspond with Nos. 13 and 14, on the front. Any log filed with this application is considered public information. If all the other required data is submitted and satisfactorily proves discovery as a new reservoir, the entire log does not have to be filed with this application. The log will then fall within the provisions of Statewide Rule 16 regarding confidentiality. If confidentiality is desired, please submit at least one curve (SP or gamma ray) from a log section showing the entire proposed designated interval.
4. Structure map, if the application is based on subsurface structure. The map is to be contoured on the top of the producing formation.
5. Stratigraphic or structural cross section, if the application is based on stratigraphic changes such as pinch-outs or porosity/permeability changes. The cross section is to be prepared from electric logs.
6. Reservoir pressure measurements or calculations of a recent date, if the application is based on reservoir pressure differences.
7. Fluid level data, if the application is based on differences in gas-liquid contacts or oil-water contacts. This data must be complete and from comparable formations.

Field Names: Must be limited to 32 characters and spaces in length.

Notice. Each offset operator must be furnished a copy of the completed Form P-7. Additionally, if the subject reservoir is in a known producing multi-reservoir structure, each operator within a 2.5 mile radius of the discovery well in the involved field(s) must also be furnished a copy.

Further information: May be obtained from the New Fields Section at the Austin Railroad Commission office. If, because of large volumes of oil or condensate production, it appears that the subject well may have to be voluntarily shut-in and to do so would cause damage to or loss of the well, contact the New Fields Section regarding possible district office issuance of temporary transportation authority.

mail to

New Fields Section
Oil and Gas Division
Railroad Commission of Texas
P. O. Drawer 12967 - Capitol Station
Austin, Texas 78711-2967



WTG EXPLORATION, INC.

401 WEST WADLEY AVENUE
MIDLAND, TEXAS 79705-5339

U.T. LANDS

JUL 24 2013

OFF: 432-682-4030

Fax: 432-686-0813

July 22, 2013

To: Offset Operators
See Addressee List

Re: New Field Discovery Application

To Whom It May Concern:

As required by the Texas Railroad Commission, please find a copy of the P-7 New Field Discovery application for WTG Exploration's University Lands 1 lease in Terrell County, Texas.

Yours very truly,

A handwritten signature in blue ink that reads "David L. Davis". The signature is written in a cursive style with a large initial "D".

David L. Davis

Offset Unleased Mineral Owners
University Lands 1 # 1

Mr. Louis Alan Korn
Pakenham Lands, Ltd.
8127 Jalane Park
San Antonio, Texas 78255-3316

University of Texas System
P. O. Box 553
Midland, Texas 79702-0553