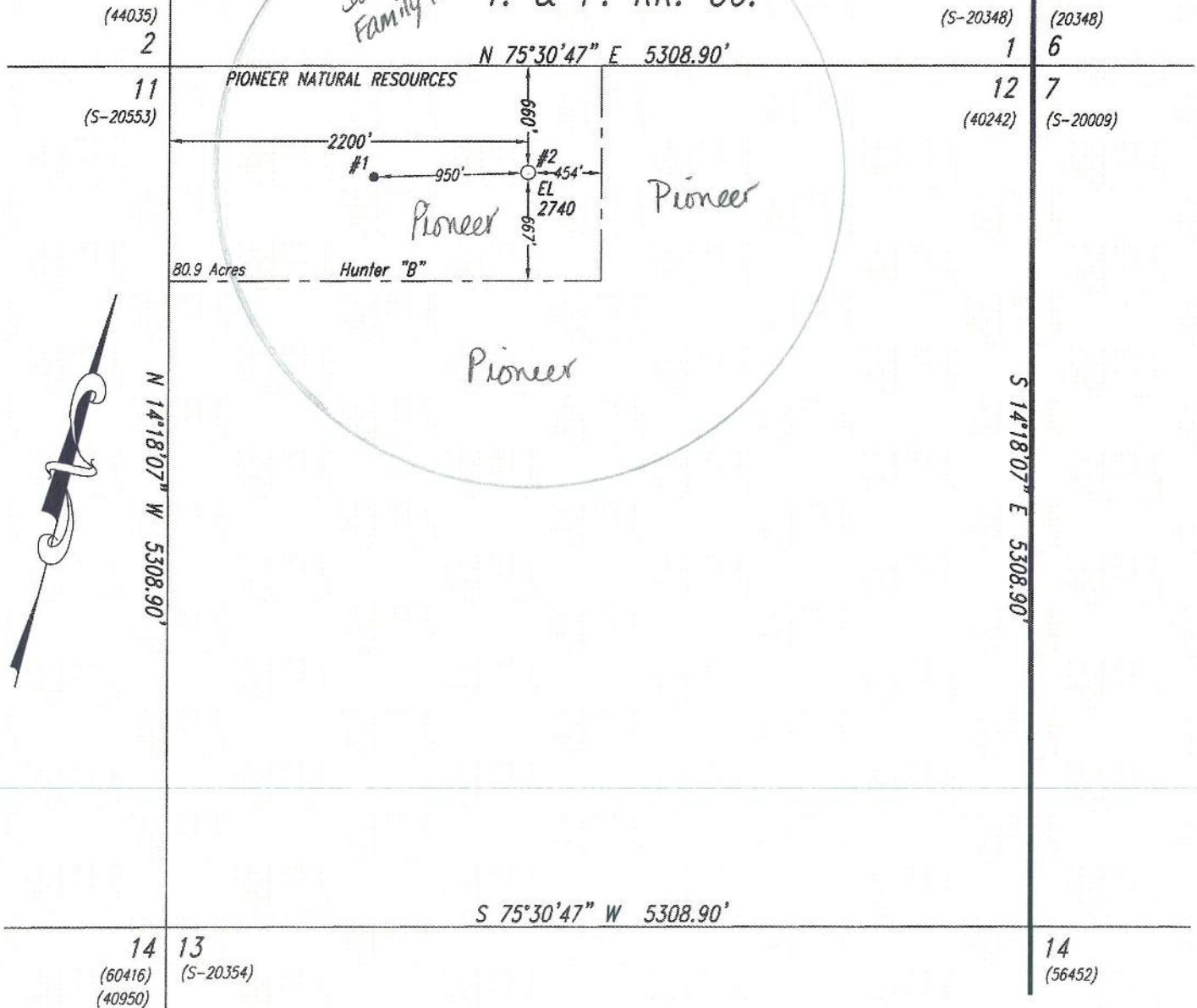


API No. <u>42-329-37847</u> Drilling Permit # <u>730870</u> SWR Exception Case/Docket No. <u>0274195</u> (R37/38)		RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER <i>This facsimile W-1 was generated electronically from data submitted to the RRC.</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. 665748		2. Operator's Name (as shown on form P-5, Organization Report) PIONEER NATURAL RES. USA, INC.			3. Operator Address (include street, city, state, zip):		
4. Lease Name HUNTER 'B'		5. Well No. 2					
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 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 11365		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. 08		12. County MIDLAND		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 3.3 miles in a SE direction from MIDLAND which is the nearest town in the county of the well site.							
15. Section 12	16. Block 39 T2S	17. Survey GARDNER, J E		18. Abstract No. A-662	19. Distance to nearest lease line: 454 ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: 80.9	
21. Lease Perpendiculars: 454 ft from the EAST line and 667 ft from the SOUTH line. 22. Survey Perpendiculars: 660 ft from the NORTH line and 2200 ft from the WEST 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	
08	85280300	SPRABERRY (TREND AREA)		Oil Well	11365	950.00	
08	04605666	AZALEA (STRAWN)		Oil Well	11365	0.00	
08	69440100	PARSLEY (ATOKA)		Oil Well	11365	0.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
Remarks [FILER Jan 3, 2012 9:50 AM]: Minimal H2S monitoring equipment will be used during drilling operations.; [RRC STAFF Jan 6, 2012 7:57 AM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Jan 6, 2012 10:21 AM]: Problems identified with this permit are resolved.; [RRC STAFF Jan 6, 2012 10:21 AM]: Per Patricia Chi please change the well type to oil only for the Azalea (Strawn) field.; [RRC STAFF Jan 6, 2012 10:24 AM]: Own offset for SWR 37 LL exception, Service list/publication for SWR 38 exception.				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> PATRICIA CHI, ENGINEERING TECH Name of filer </div> <div> Jan 03, 2012 Date submitted </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> (972)969-3725 Phone </div> <div> patricia.chi@pxd.com E-mail Address (OPTIONAL) </div> </div>			
RRC Use Only							
Data Validation Time Stamp: Mar 12, 2012 2:31 PM ('As Approved' Version)							

Pioneer
Davidheiser
Family Trust
Block 39, T-2-S
T. & P. RR. Co.



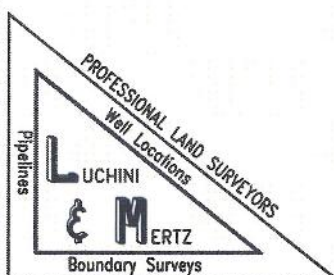
Note: Survey Reconstruction filed in the Office of Luchini and Mertz Land Surveying Company.
 Note: All bearings and coordinates shown are based on the Texas Coordinate System of 1927, Central Zone.
 A combined grid factor of 0.999893495 must be divided into Section Line distances to obtain a true horizontal distance.
 Note: Example: (S-99999) indicates General Land Office file number.
 Note: NAD '27 Coordinates & Latitude/Longitude on well location in Section 12.
 Note: Well location is approximately 3.3 miles southeast of Midland.

#2
 X: 1467829.01 Latitude-31.97487600°N
 Y: 843612.25 Longitude-102.04944330°W
 Latitude-31°58'29.55"N Longitude-102°02'58.00"W

Railroad Commission Permit Plat

PIONEER NATURAL RESOURCES USA, Inc.
 Hunter "B" Lease
 N/2 of the NW/4 of
 Section 12, J.E. Gardner,
 Block 39, T-2-S, T. & P RR. Co.,
 Midland County, Texas

Scale: 1" = 1000'



Steven L. Prewit
 October 17, 2011
 111017M2