

API No. <u>42-475-35807</u> Drilling Permit # <u>823074</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. <div style="text-align: center;">020528</div>		2. Operator's Name (as shown on form P-5, Organization Report) <div style="text-align: center;">ANADARKO E&amp;P ONSHORE LLC</div>		3. Operator Address (include street, city, state, zip): <div style="text-align: center;">ATTN FRANK A. DAVIS PO BOX 1330 HOUSTON, TX 77251-1330</div>			
4. Lease Name <div style="text-align: center;">UNDERWOOD 34-138 UNIT</div>		5. Well No. <div style="text-align: center;">1H</div>					
<b>GENERAL INFORMATION</b>							
6. Purpose of filing (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span><input type="checkbox"/> New Drill</span> <span><input type="checkbox"/> Recompletion</span> <span><input type="checkbox"/> Reclass</span> <span><input checked="" type="checkbox"/> Field Transfer</span> <span><input type="checkbox"/> Re-Enter</span> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span><input type="checkbox"/> Amended</span> <span><input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)</span> </div>							
7. Wellbore Profile (mark ALL appropriate boxes): <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span><input type="checkbox"/> Vertical</span> <span><input checked="" type="checkbox"/> Horizontal (Also File Form W-1H)</span> <span><input type="checkbox"/> Directional (Also File Form W-1D)</span> <span><input type="checkbox"/> Sidetrack</span> </div>							
8. Total Depth <div style="text-align: center;">16000</div>		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. <div style="text-align: center;">08</div>		12. County <div style="text-align: center;">WARD</div>		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>11</u> miles in a <u>NE</u> direction from <u>PECOS</u> which is the nearest town in the county of the well site.							
15. Section <div style="text-align: center;">138</div>		16. Block <div style="text-align: center;">34</div>		17. Survey <div style="text-align: center;">H&amp;TC RR CO / GLAZE, J B</div>		18. Abstract No. <div style="text-align: center;">A-1472</div>	
				19. Distance to nearest lease line: <div style="text-align: center;">365 ft.</div>		20. Number of contiguous acres in lease, pooled unit, or unitized tract: <div style="text-align: center;">648.2</div>	
21. Lease Perpendiculars: <u>310</u> ft from the <u>WEST</u> line and <u>660</u> ft from the <u>NORTH</u> line.							
22. Survey Perpendiculars: <u>310</u> ft from the <u>WEST</u> line and <u>660</u> ft from the <u>NORTH</u> line.							
23. Is this a pooled unit? <input checked="" type="checkbox"/> Yes <input 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	32. Number of Wells on this lease in this Reservoir
08	80544500	SANDBAR (BONE SPRING)		Oil or Gas Well	16000	0.00	1
<b>BOTTOMHOLE LOCATION INFORMATION</b> is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)							
<b>Remarks</b> [FILER Feb 9, 2017 9:25 AM]: FIELD TRANSFER APPROVAL LETTER ATTACHED; [RRC STAFF Feb 16, 2017 9:56 AM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Feb 16, 2017 2:04 PM]: Problems identified with this permit are resolved.; [RRC STAFF Feb 16, 2017 2:04 PM]: Patricia Jaenecke sent p-12 and updated p-16.; [RRC STAFF Feb 17, 2017 7:44 AM]: Changed LTP lease line call to match plat.					<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>Patricia Jaenecke, Agent</u>            Name of filer         </div> <div> <u>Feb 09, 2017</u>            Date submitted         </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <u>(832)6361439</u>            Phone         </div> <div> <u>patricia.jaenecke@anadarko.com</u>            E-mail Address (OPTIONAL)         </div> </div>		
<b>RRC Use Only</b> Data Validation Time Stamp: Feb 17, 2017 10:17 AM( 'As Approved' 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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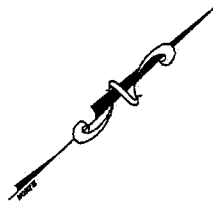
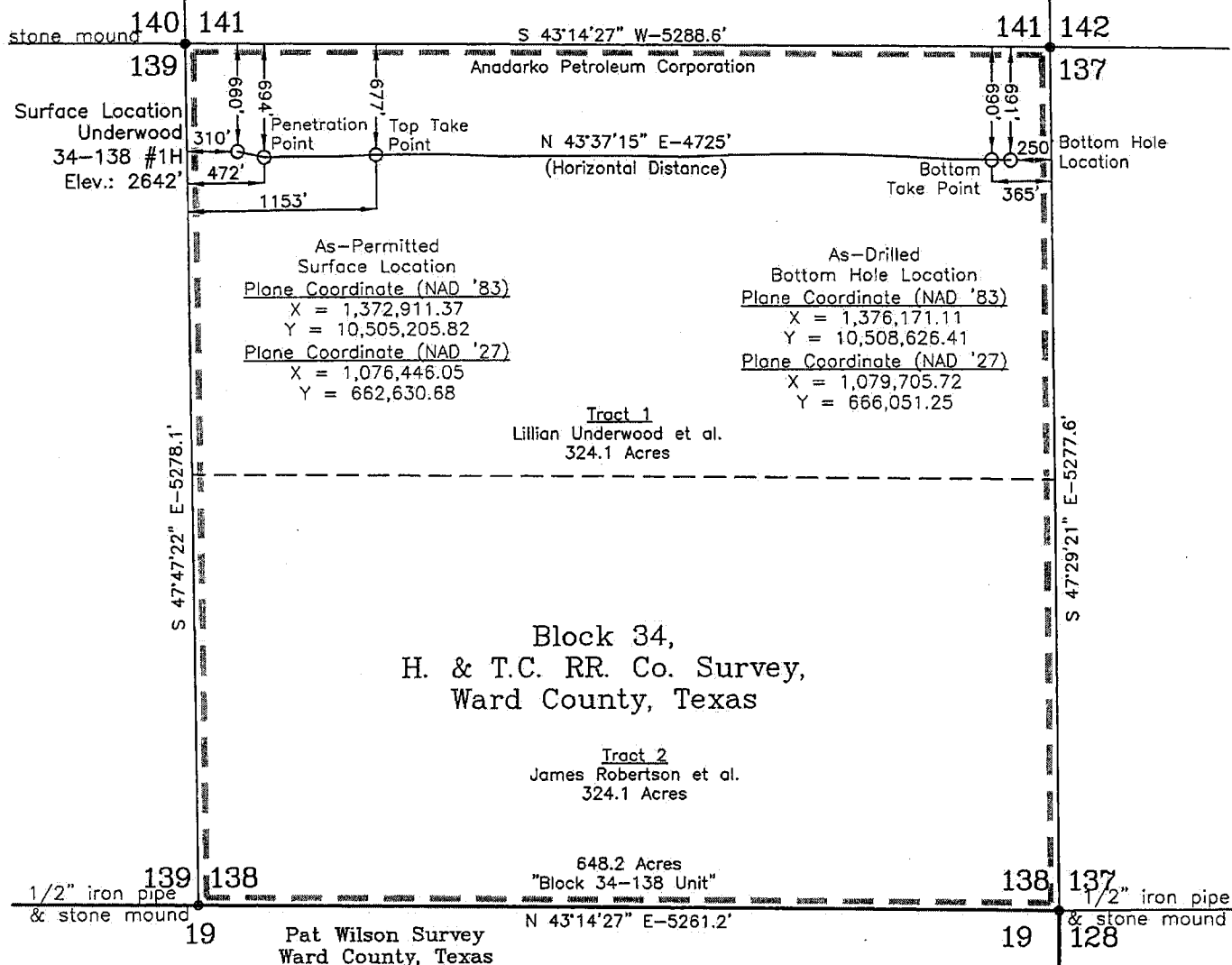
**RAILROAD COMMISSION OF TEXAS  
OIL & GAS DIVISION**

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

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

Permit #	823074
Approved Date:	Feb 17, 2017

1. RRC Operator No. <b>020528</b>	2. Operator's Name (exactly as shown on form P-5, Organization Report) <b>ANADARKO E&amp;P ONSHORE LLC</b>	3. Lease Name <b>UNDERWOOD 34-138 UNIT</b>	4. Well No. <b>1H</b>
<b>Lateral Drainhole Location Information</b>			
5. Field as shown on Form W-1 <b>SANDBAR (BONE SPRING) (Field # 80544500, RRC District 08)</b>			
6. Section <b>138</b>	7. Block <b>34</b>	8. Survey <b>H&amp;TC RR CO / GLAZE, J B</b>	9. Abstract <b>1472</b>
10. County of BHL <b>WARD</b>			
11. Terminus Lease Line Perpendiculars <b>250</b> ft. from the <b>EAST</b> line. and <b>691</b> ft. from the <b>NORTH</b> line			
12. Terminus Survey Line Perpendiculars <b>250</b> ft. from the <b>EAST</b> line. and <b>691</b> ft. from the <b>NORTH</b> line			
13. Penetration Point Lease Line Perpendiculars <b>472</b> ft. from the <b>WEST</b> line. and <b>694</b> ft. from the <b>NORTH</b> line			



AS-PERMITTED  
SURFACE LOCATION  
Geodetic Coordinate (NAD '83)  
Latitude = 31°27'17.85" N  
Longitude = 103°17'45.54" W  
Geodetic Coordinate (NAD '27)  
Latitude = 31°27'17.36" N  
Longitude = 103°17'43.94" W  
Decimal Degrees (NAD '27)  
Latitude = 31.454823555° N  
Longitude = 103.295539382° W

AS-DRILLED  
BOTTOM HOLE LOCATION  
Geodetic Coordinate (NAD '83)  
Latitude = 31°27'52.55" N  
Longitude = 103°17'08.97" W  
Geodetic Coordinate (NAD '27)  
Latitude = 31°27'52.07" N  
Longitude = 103°17'07.37" W  
Decimal Degrees (NAD '27)  
Latitude = 31.464462656° N  
Longitude = 103.285380306° W

THE UNDERWOOD 34-138 #1H IS LOCATED APPROXIMATELY 11 MILES NORTHEAST OF PECOS, TEXAS

Date Surveyed: March 18, 2011  
Weather: Sunny, & Mild

#### LEGEND

- ⊙ - Denotes Proposed Bottom Hole Location
- - Denotes Proposed Well Location
- ⊙ - Denotes Found Monument (As Described)
- (F-12345) - Denotes General Land Office File No.
- - - - - Denotes Center Line of 15' Lease Road
- — — — — Denotes Existing Pipeline



#### NOTE:

- 1) Coordinates, Bearings, Distances and Areas shown hereon are Lambert Grid and Conform to the "Texas Coordinate System", Texas Central Zone, North American Datum of 1983.
- 2) See the Block 34-wardCo drawing filed in the office of this Surveyor which describes the reconstruction of this Section.

I HEREBY CERTIFY THAT THIS PLAN WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION.

MARCUS L. HOSTAS  
J. FRANK NEWMAN  
MACON McDONALD  
R. CRAIG ALDERMAN

TEXAS R.P.L.S. No. 5643  
TEXAS R.P.L.S. No. 5643  
TEXAS R.P.L.S. No. 5643  
TEXAS R.P.L.S. No. 5285

**WEST COMPANY**  
of Midland, Inc.

110 W. LOUISIANA, STE. 110  
MIDLAND TEXAS, 79701  
(432) 687-0865 - (432) 687-0868 FAX

**Anadarko**  
Petroleum Corporation

As-Drilled Bottom Hole Location of the  
UNDERWOOD 34-138 #1H  
As-Permitted Surface Location  
310' FSWL & 660' FNWL  
Section 138, Block 34  
H. & T.C. R.R. Company Survey  
Ward County, Texas

Drawn By: LRM	Date: April 27, 2012
Scale: 1"=1000'	Field Book: A7 / 10-11
Revision Date: 4/7/11	Quadrangle: Soda Lake SE
W.O. No: 2011-0506-2	Dwg. No.: 2011-0506-AsDrilled.dwg