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| API No. <u>42-371-40011</u> Drilling Permit # <u>850490</u> SWR Exception Case/Docket No. <u>0318569</u> (R37) | | 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. <u>217012</u> | | 2. Operator's Name (as shown on form P-5, Organization Report) DIAMONDBACK E&P LLC | | 3. Operator Address (include street, city, state, zip): 500 W TEXAS AVE STE 1200 MIDLAND, TX 79701-4203 | | | |
| 4. Lease Name COLUMBIA 228-208 A | | 5. Well No. <u>1WA</u> | | | | | |
| 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 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 <u>9800</u> | | 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | |
| SURFACE LOCATION AND ACREAGE INFORMATION | | | | | | | |
| 11. RRC District No. <u>08</u> | | 12. County PECOS | | 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>7</u> miles in a <u>NE</u> direction from <u>Fort Stockton</u> which is the nearest town in the county of the well site. | | | | | | | |
| 15. Section | 16. Block | 17. Survey OWENS, W | | 18. Abstract No. A-759 | 19. Distance to nearest lease line: <u>1</u> ft. | 20. Number of contiguous acres in lease, pooled unit, or unitized tract: 499.18 | |
| 21. Lease Perpendiculars: <u>215</u> ft from the <u>E</u> line and <u>1637</u> ft from the <u>N</u> line. | | | | | | | |
| 22. Survey Perpendiculars: <u>1490</u> ft from the <u>W</u> line and <u>1637</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 | | | |
| 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 | |
| <u>08</u> | <u>41911500</u> | <u>HOEFS T-K (WOLFCAMP)</u> | | <u>Oil Well</u> | <u>8800</u> | <u>0.00</u> | |
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| BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment) | | | | | | | |
| Remarks See W1 Comments attached | | | | 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> <u>Tommie Gomez</u> Name of filer </div> <div> <u>Feb 27, 2019</u> Date submitted </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <u>(432)2217462</u> Phone </div> <div> <u>tgomez@diamondbackenergy.com</u> E-mail Address (OPTIONAL) </div> </div> | | | |
| RRC Use Only Data Validation Time Stamp: <u>Mar 4, 2019 2:02 PM('As Approved' Version)</u> | | | | | | | |

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| Permit Status: Approved <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.

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| Permit # | 850490 |
| Approved Date: | Mar 04, 2019 |

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|---|---|-------------------------------------|--------------------|
| 1. RRC Operator No. 217012 | 2. Operator's Name (exactly as shown on form P-5, Organization Report) DIAMONDBACK E&P LLC | 3. Lease Name COLUMBIA 228-208 A | 4. Well No. 1WA |
| Lateral Drainhole Location Information | | | |
| 5. Field as shown on Form W-1 HOEFS T-K (WOLFCAMP) (Field # 41911500, RRC District 08) | | | |
| 6. Section 208 | 7. Block | 8. Survey BURLESON, J | 9. Abstract 5 |
| 10. County of BHL PECOS | | | |
| 11. Terminus Lease Line Perpendiculars 150 ft. from the W line. and 788 ft. from the S line | | | |
| 12. Terminus Survey Line Perpendiculars 150 ft. from the W line. and 788 ft. from the S line | | | |
| 13. Penetration Point Lease Line Perpendiculars 215 ft. from the E line. and 1637 ft. from the N line | | | |

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| Permit Status: | Approved |
| <i>The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.</i> | |

**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION**

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

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W-1 Comments

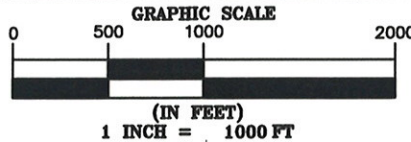
| | |
|----------------|--------------|
| Permit # | 850490 |
| Approved Date: | Mar 04, 2019 |

[Feb 27, 2019 9:28 AM]: Commission Staff expresses no opinion as to whether a 100% ownership interest in each of the leases alone or in combination with a "production sharing agreement" confers the right to drill across lease/unit lines or whether a pooling agreement is also required. However, until that issue is directly addressed and ruled upon by a Texas court of competent jurisdiction it appears that a 100% interest in each of the leases and a production sharing agreement constitute a sufficient colorable claim to the right to drill a horizontal well as proposed to authorize the removal of the regulatory bar and the issuance of a drilling permit by the Commission, assuming the proposed well is in compliance with all other relevant Commission requirements.

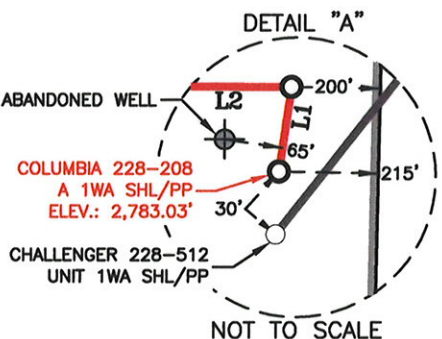
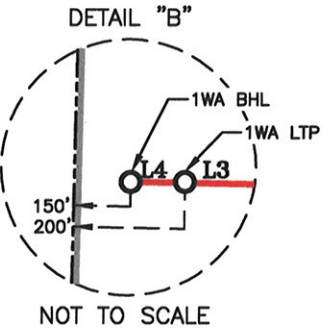
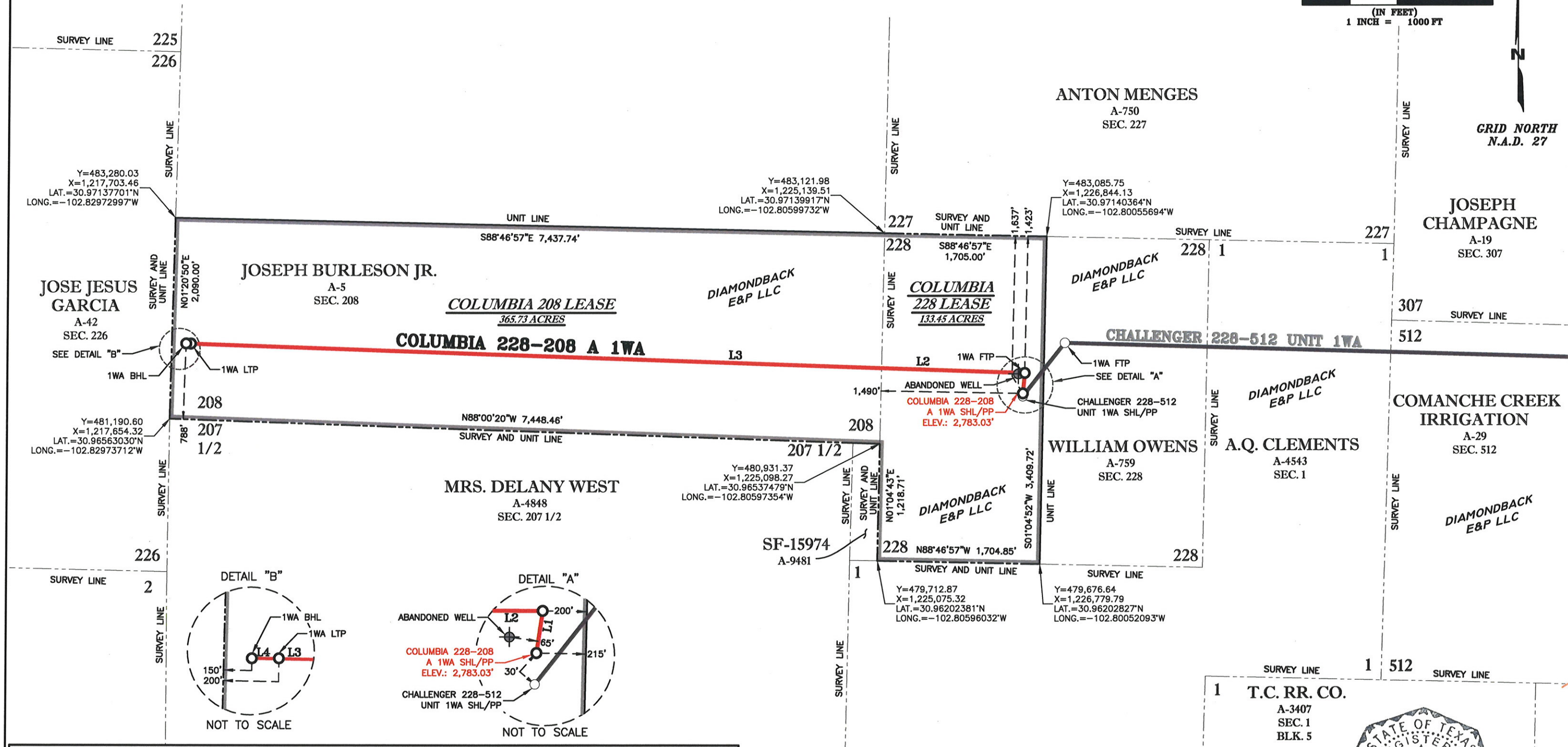
Issuance of the permit is not an endorsement or approval of the applicant's stated method of allocating production proceeds among component leases or units. All production must be reported to the Commission as production from the lease or pooled unit on which the wellhead is located and reported production volume must be determined by actual measurement of hydrocarbon volumes prior to leaving that tract and may not be based on allocation or estimation. Payment of royalties is a contractual matter between the lessor and lessee. Interpreting the leases and determining whether the proposed proceeds allocation comports with the relevant leases is not a matter within Commission jurisdiction but a matter for the parties to the lease and, if necessary, a Texas court of competent jurisdiction.

The foregoing statements are not, and should not be construed as, a final opinion or decision of the Railroad Commission.

WELL LOCATION PLAT
PECOS COUNTY, TEXAS



GRID NORTH
N.A.D. 27



| | LEASE CALLS | SURVEY LOCATION | ELEV. (NAVD88) | NAD27 TEXAS STATE PLANE COORDINATES | NAD27 GEOGRAPHIC COORDINATES (DMS) | NAD27 GEOGRAPHIC COORDINATES (DD) | NAD83 GEOGRAPHIC COORDINATES (DD) |
|---------|------------------------|--------------------------|----------------|-------------------------------------|--|--|--|
| 1WA SHL | 215' FEL 1,637' FNL | 1,490' FWL 1,637' FNL | 2,783.03' | Y=481,453.95 X=1,226,597.98 | LAT.=30°58'00.85"N LONG.=102°48'04.42"W | LAT.=30.966902897°N LONG.=102.801226669°W | LAT.=30.967054616°N LONG.=102.801657497°W |
| 1WA FTP | 200' FEL 1,423' FNL | --- | --- | Y=481,666.94 X=1,226,617.32 | LAT.=30°58'02.96"N LONG.=102°48'04.25"W | LAT.=30.967489587°N LONG.=102.801180055°W | --- |
| 1WA LTP | 200' FWL 788' FSL | --- | --- | Y=481,971.47 X=1,217,872.74 | LAT.=30°58'04.05"N LONG.=102°49'44.75"W | LAT.=30.967790329°N LONG.=102.829096289°W | --- |
| 1WA BHL | 150' FWL 788' FSL | 150' FWL 788' FSL | --- | Y=481,973.21 X=1,217,822.77 | LAT.=30°58'04.05"N LONG.=102°49'45.32"W | LAT.=30.967792031°N LONG.=102.829255823°W | --- |

| LINE TABLE | | | |
|-------------------|--------------|-------------|-----------|
| LINE | LATERAL | BEARING | DISTANCE |
| L1 | SHL TO FTP | N05°11'17"E | 213.87' |
| L2 | FTP TO TRACT | N88°00'20"W | 1,505.12' |
| L3 | TRACT TO LTP | N88°00'20"W | 7,244.75' |
| L4 | LTP TO BHL | N88°00'20"W | 50.00' |
| FTP TO LTP TOTAL: | | | 8,749.87' |

| COLUMBIA 228-208 A 1WA | |
|------------------------|--------------|
| LEASE | ACREAGE |
| COLUMBIA 228 | 133.45 ACRES |
| COLUMBIA 208 | 365.73 ACRES |
| TOTAL: | 499.18 ACRES |

- NOTES:
- UNLESS STATED OTHERWISE, ALL BEARINGS ARE GRID BEARINGS AND ARE BASED ON TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE (4203), NAD27. ALL DISTANCES ARE REPRESENTED IN GRID VALUES, MEASURED IN U.S. SURVEY FEET, AND ARE BASED ON SAID HORIZONTAL DATUM.
 - ALL BOUNDARY DATA PROVIDED BY SURVEYING AND MAPPING, LLC. THIS PLAT IS NOT INTENDED TO BE A BOUNDARY SURVEY AND DOES NOT MEET THE REQUIREMENTS FOR BOUNDARY SURVEYS IN THE STATE OF TEXAS.
 - THE WELL LOCATION LOCATION DEPICTED WAS SURVEYED ON THE GROUND ON 01/22/2019.

PROJECT: COLUMBIA 228-208 A 1WA
JOB NUMBER: 1019047617
DATE: 02/27/2019
SCALE: 1"=1000'
SURVEYOR: M. MERCADO
TECHNICIAN: P. WOODWORTH
PARTYCHIEF: W. LINCOLN
FIELDBOOKS: 34904
ORIG. DOC. SIZE: 11"x17" LEDGER



4801 SOUTHWEST PARKWAY
BUILDING TWO, SUITE 100
AUSTIN, TEXAS 78735
OFC: 512.447.0575
FAX: 512.326.3029
EMAIL: INFO@SAM.BIZ

DIAMONDBACK E&P LLC
COLUMBIA 228-208 A 1WA
BEING 133.45 ACRES, A PORTION OF SECTION 228, IN THE WILLIAM OWENS SURVEY, A-759, AND BEING 365.73 ACRES, A PORTION OF SECTION 208, IN THE JOSEPH BURLESON JR. SURVEY, A-5, APPROXIMATELY 7.0 MILES NORTHEAST OF FORT STOCKTON, TEXAS



MARK A. MERCADO
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NUMBER 6350
DATE 2/27/19