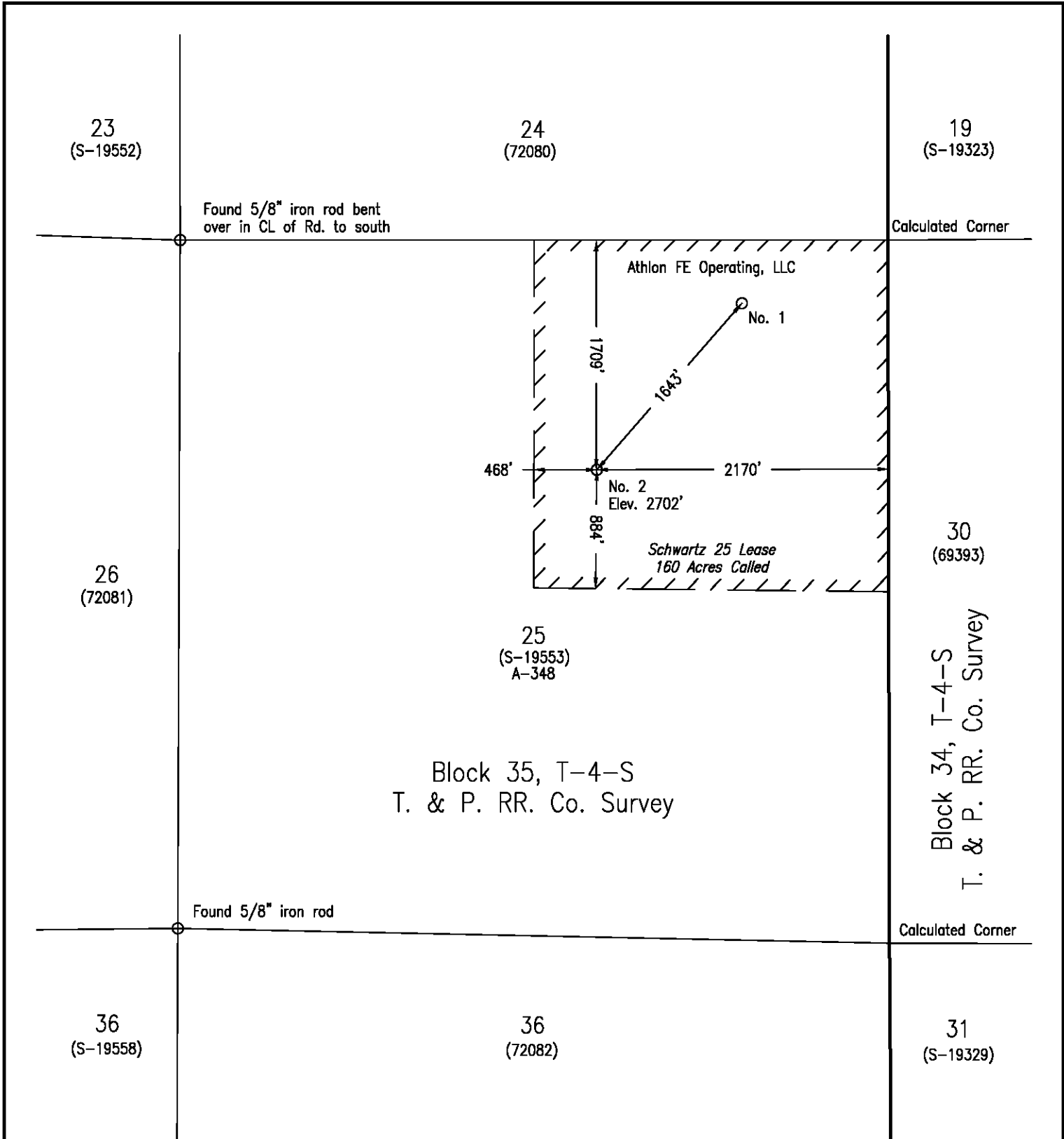


API No. <u>42-173-35159</u> Drilling Permit # <u>744363</u> SWR Exception Case/Docket No. _____		RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER <i>This facsimile W-1 was generated electronically from data submitted to the RRC.</i> <i>A certification 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. 036048		2. Operator's Name (as shown on form P-5, Organization Report) ATHLON FE OPERATING LLC		3. Operator Address (include street, city, state, zip):			
4. Lease Name SCHWARTZ 25		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 11000		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. 08		12. County GLASSCOCK		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>6.7</u> miles in a <u>SW</u> direction from <u>Garden City</u> which is the nearest town in the county of the well site.							
15. Section 25		16. Block 35 T4S		17. Survey T&P RR CO		18. Abstract No. A-348	
				19. Distance to nearest lease line: 468 ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: 160	
21. Lease Perpendiculars: <u>1709</u> ft from the <u>NORTH</u> line and <u>2170</u> ft from the <u>EAST</u> line. 22. Survey Perpendiculars: <u>1709</u> ft from the <u>NORTH</u> line and <u>2170</u> ft from the <u>EAST</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	
08	85280300	SPRABERRY (TREND AREA)		Oil or Gas Well	7750	1643.00	
08	85448150	STA (ATOKA)		Oil Well	11000	1643.00	
08	33998500	GARDEN CITY, S. (WOLFCAMP)		Oil or Gas Well	10000	0.00	
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS							
Remarks 				Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge.			
				_____ Name of filer			
RRC Use Only				_____ Date submitted			
				_____ Phone			
Data Validation Time Stamp: Jul 18, 2012 4:57 PM('As Approved' Version)				_____ E-mail Address (OPTIONAL)			



Michael L. Stanford

Date Well Location Staked June 22, 2012

NAD 27 TX Central X = 1617836

NAD 27 TX Central Y = 777054

EMERGENCY RESPONSE LOCATOR

NAD 27 Lat. = 31° 47' 50.61" / 31.797390

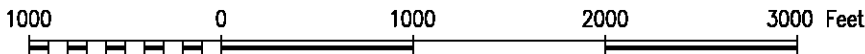
NAD 27 Long. = 101° 33' 48.18" / 101.563383



This plat is for Texas Railroad Commission Permit Purposes Only and is NOT a boundary survey and is NOT to be used to convey or establish interests in real property.

BASIS OF BEARINGS is the Texas State Plane Coordinate System
Central Zone NAD 83.

Application for Well No. 2
6.7 Miles Southwest of Garden City, TX.



Athlon FE Operating, LLC
Schwartz 25 No. 2 - 1709' FNL & 2170' FEL
Section 25, Block 35, T-4-S, T. & P. RR. Co. Survey
Glasscock County, Texas

STANFORD SURVEYING COMPANY
P.O. BOX 8490
MIDLAND, TEXAS 79708-8490
432-699-5708

DRAWN BY Joshua Naumann

DATE 7-6-2012

SCALE 1" = 1000'

FILE NAME A-7019