

API No. <u>42-365-38457</u> Drilling Permit # <u>844535</u> SWR Exception Case/Docket No. <u>0315161</u> (R37)		<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. <u>088595</u>		2. Operator's Name (as shown on form P-5, Organization Report) <b>BRAMMER ENGINEERING, INC.</b>		3. Operator Address (include street, city, state, zip): <b>400 TEXAS ST SUITE 600</b> <b>SHREVEPORT, LA 71101-0000</b>			
4. Lease Name <b>BARNETT-WOODALL</b>		5. Well No. <u>6H</u>					
<b>GENERAL INFORMATION</b>							
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>SURFACE LOCATION AND ACREAGE INFORMATION</b>							
11. RRC District No. <u>06</u>		12. County <b>PANOLA</b>		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>11.6</u> miles in a <u>SE</u> direction from <u>CARTHAGE</u> which is the nearest town in the county of the well site.							
15. Section		16. Block		17. Survey <b>LAGRONE, A</b>		18. Abstract No. <u>A-392</u>	
				19. Distance to nearest lease line: <u>1</u> ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>1383.11</u>	
21. Lease Perpendiculars: <u>458</u> ft from the <u>N</u> line and <u>2504</u> ft from the <u>W</u> line. 22. Survey Perpendiculars: <u>2422</u> ft from the <u>E</u> line and <u>3388</u> ft from the <u>S</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			
<b>FIELD INFORMATION    List all fields of anticipated completion including Wildcat. List one zone per line.</b>							
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>06</u>	<u>16032174</u>	<u>CARTHAGE (COTTON VALLEY)</u>		<u>Oil or Gas Well</u>	<u>9800</u>	<u>0.00</u>	
<b>BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)</b>							
<b>Remarks</b> See W1 Comments attached				<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>Amanda Johnson</u>            Name of filer         </div> <div> <u>Sep 11, 2018</u>            Date submitted         </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <u>(318)4292281</u>            Phone         </div> <div> <u>amanda.johnson@brammer.com</u>            E-mail Address (OPTIONAL)         </div> </div>			
<b>RRC Use Only</b>							
Data Validation Time Stamp: <u>Sep 21, 2018 9:14 AM ('As Approved' Version )</u>							

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 #	<b>844535</b>
Approved Date:	<b>Sep 21, 2018</b>

1. RRC Operator No. <b>088595</b>	2. Operator's Name (exactly as shown on form P-5, Organization Report) <b>BRAMMER ENGINEERING, INC.</b>	3. Lease Name <b>BARNETT-WOODALL</b>	4. Well No. <b>6H</b>
<b>Lateral Drainhole Location Information</b>			
5. Field as shown on Form W-1 <b>CARTHAGE (COTTON VALLEY) (Field # 16032174, RRC District 06)</b>			
6. Section	7. Block	8. Survey <b>MERRIMAN, E T</b>	9. Abstract <b>488</b>
		10. County of BHL <b>PANOLA</b>	
11. Terminus Lease Line Perpendiculars <b>2002</b> ft. from the <b>W</b> line. and <b>1336</b> ft. from the <b>S</b> line			
12. Terminus Survey Line Perpendiculars <b>256</b> ft. from the <b>E</b> line. and <b>489</b> ft. from the <b>NE</b> line			
13. Penetration Point Lease Line Perpendiculars <b>1505</b> ft. from the <b>NE</b> line. and <b>2356</b> ft. from the <b>E</b> line			

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**W-1 Comments**

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[ Sep 11, 2018 8:52 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.

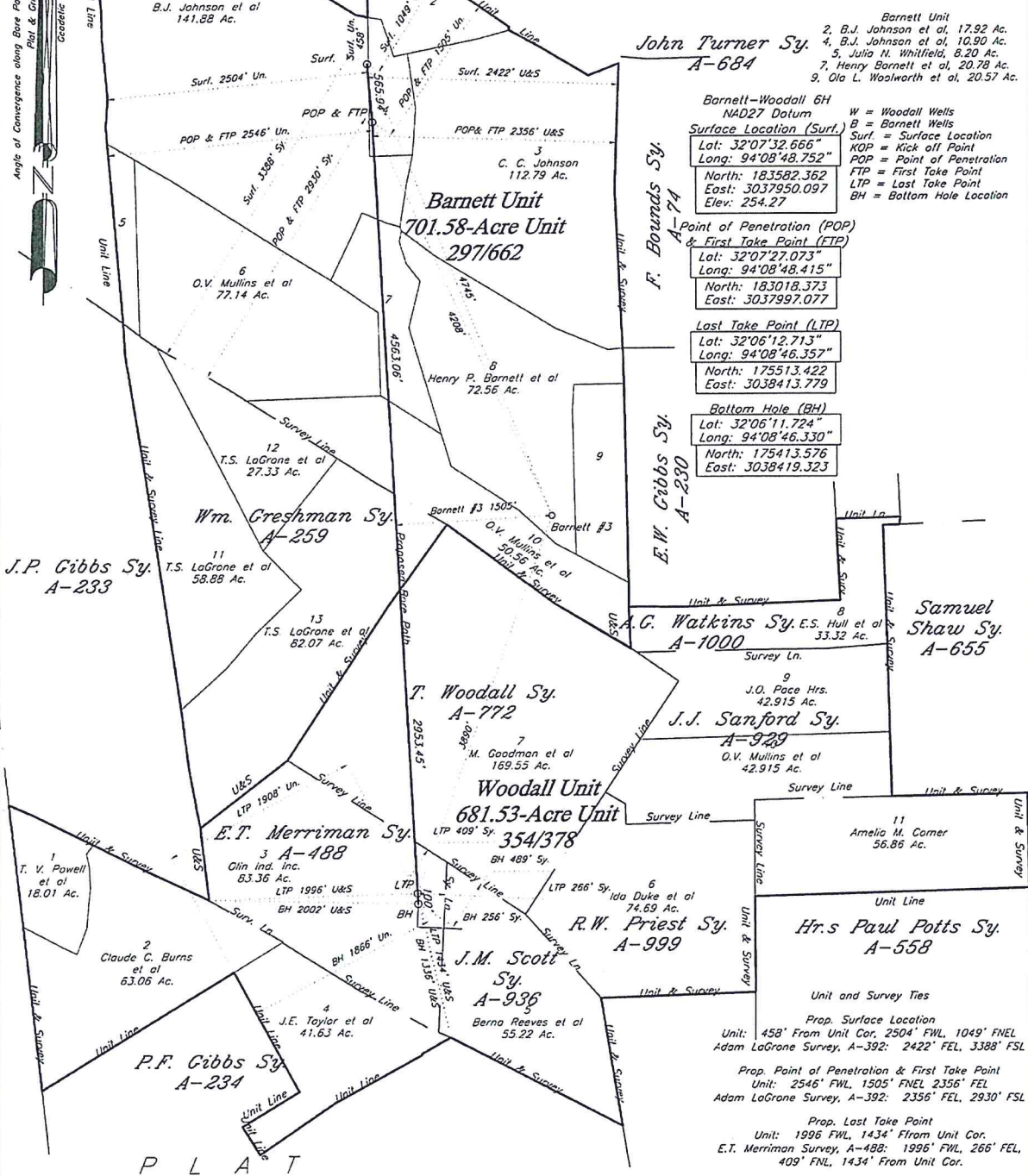
The foregoing statements are not, and should not be construed as, a final opinion or decision of the Railroad Commission.; [RRC STAFF Sep 11, 2018 9:46 AM]: Deselected pooled unit, application is an allocation.; [RRC STAFF Sep 11, 2018 9:46 AM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Sep 11, 2018 1:15 PM]: Problems identified with this permit are resolved.; [RRC STAFF Sep 11, 2018 1:16 PM]: Operator confirmed BHL coordinates with surveyor, GLO matches plat survey line calls. Problem report submitted.; [RRC STAFF Sep 12, 2018 2:07 PM]: Tract 4 (Barnett Unit) is located between 1 and 3 (2 is to the NE). The label for this tract is in the middle, just at the end of the 565.94 label.; [RRC STAFF Sep 12, 2018 2:27 PM]: Rule 37 Interior Exception removed. All of the tracts, on both P-12's, are shown as being fully leased. An interior exception is only needed when a tract(s) has partially unleased interests and the wellbore is violating the spacing rules with respect to that tract(s).; [RRC STAFF Sep 12, 2018 2:35 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Sep 21, 2018 9:12 AM]: Problems identified with this permit are resolved.

Adam LaGrone Survey  
Abstract No. 392  
Panola County, Texas

0 1000 2000 3000

Surf. to POP & FTP = S 04°45'42" E-565.94'  
POP & FTP to Unit Line = S 03°10'41" E-4563.06'  
Unit Line to Last Take Point = S 03°10'41" E-2953.45'  
Last Take Point to Bottom Hole = S 03°10'41" E-100.00'

Angle of Convergence along Bore Path: 01°49'44"  
Rail & Grid  
Geodetic



SHOWING THE PROPOSED LOCATION OF THE BARNETT-WOODALL 6H, WITH THE SURFACE LOCATION, POP AND FTP IN THE ADAM LaGRONE SURVEY, ABSTRACT No. 392, PANOLA COUNTY, TEXAS, AND THE LTP AND BOTTOM HOLE IN THE E. T. MERRIMAN SURVEY, ABSTRACT No. 488, PANOLA COUNTY, TEXAS. WELL IS LOCATED IN A STRAIGHT LINE ABOUT SOUTH 80° EAST, 11.6 MILES FROM THE TOWN OF CARTHAGE, PANOLA COUNTY, TEXAS.

For: Brammer Engineering, Inc. Scale: 1" = 1000'  
400 Texas Street, Suite  
Shreveport, Louisiana 71101

NOTES: Surveyor did not abstract tracts for easements or ownership. Sy. = Survey, Un = Unit, Ln. = Line. Bearings are based on the Texas Coordinate System of 1927, Texas North-Central Zone. All coordinates are U.S. Survey Feet. Recording information for the Woodall Unit is recorded in Volume 354, Page 378 of the Deed Records of Panola County, Texas. Recording information for the Barnett Unit is recorded in Volume 297, Page 662 of the Deed Records of Panola County, Texas. Names and acreage shown hereon are per the plat recorded in each of the above referenced instruments. No Description Written. See other plats prepared for each unit.

I, Kristopher Morgan do hereby state that this plat represents a horizontal well location, with the surface location made on the ground for Brammer Engineering, Inc., and that in accordance with the information and the instructions furnished me, same correctly represents the facts as found at the time of the survey. Lease lines were compiled from records. USE OF THIS SURVEY FOR ANY OTHER PURPOSE OR BY OTHER PARTIES SHALL BE AT THEIR RISK AND THE UNDERSIGNED IS NOT RESPONSIBLE FOR ANY LOSS RESULTING THEREFROM. IF THIS PLAT IS NOT SIGNED IN PALE BLUE INK AND THE SEAL PRESENT IN CRIMPED FORM, IT SHOULD BE CONSIDERED AN UNLICENSED COPY AND PRESUMED TO CONTAIN ALTERED OR UNAUTHORIZED MATERIAL.

Kristopher Morgan  
R.P.L.S. No. 5655  
August 2, 2018  
Plat revised Aug. 27, 2018 to condense ties  
Plat revised Aug. 28 to add additional info.  
Plat rev. Sept. 10, 2018 to show addition  
ties and change names.



Prepared By:  
Affiliated Surveyors, Inc.  
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