

API No. <u>42-475-37306</u> Drilling Permit # <u>827484</u> SWR Exception Case/Docket No. <u>0306301</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>216378</u>		2. Operator's Name (as shown on form P-5, Organization Report) DEVON ENERGY PRODUCTION CO, L.P.		3. Operator Address (include street, city, state, zip): ATTN VICTORIA SANCHEZ 333 WEST SHERIDAN AVE OKLAHOMA CITY, OK 73102-5010			
4. Lease Name <u>NI HELPED 120 (ALLOC)</u>		5. Well No. <u>6H</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>12000</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 <u>WARD</u>		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>9.7</u> miles in a <u>N</u> direction from <u>Pecos</u> which is the nearest town in the county of the well site.							
15. Section <u>57</u>		16. Block <u>33</u>		17. Survey <u>H&TC RR CO</u>		18. Abstract No. <u>A-173</u>	
				19. Distance to nearest lease line: <u>200</u> ft.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>1587.19</u>	
21. Lease Perpendiculars: <u>380</u> ft from the <u>SE</u> line and <u>747</u> ft from the <u>NE</u> line.							
22. Survey Perpendiculars: <u>380</u> ft from the <u>SE</u> line and <u>747</u> ft from the <u>NE</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	71052900	PHANTOM (WOLFCAMP)		Gas Well	12000	0.00	
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="text-align: center;"> Brittney Wheaton, Regulatory Affairs Professional </div> <div style="display: flex; justify-content: space-between;"> <div> <u>Brittney Wheaton</u> Name of filer </div> <div> <u>Jun 05, 2017</u> Date submitted </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <u>(405)228-2810</u> Phone </div> <div> <u>brittney.heyman-Wheaton@dvn.com</u> E-mail Address (OPTIONAL) </div> </div>			
RRC Use Only Data Validation Time Stamp: <u>Sep 13, 2017 9:13 AM ('As Approved' Version)</u>							

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**

Form W-1H 07/2004
Supplemental Horizontal Well Information

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 #	827484
Approved Date:	Sep 13, 2017

1. RRC Operator No. 216378	2. Operator's Name (exactly as shown on form P-5, Organization Report) DEVON ENERGY PRODUCTION CO, L.P.	3. Lease Name NI HELPED 120 (ALLOC)	4. Well No. 6H
Lateral Drainhole Location Information			
5. Field as shown on Form W-1 PHANTOM (WOLFCAMP) (Field # 71052900, RRC District 08)			
6. Section 57	7. Block 33	8. Survey H&TC RR CO	9. Abstract 173
10. County of BHL WARD			
11. Terminus Lease Line Perpendiculars 3060 ft. from the SE line. and 250 ft. from the SW line 12. Terminus Survey Line Perpendiculars 380 ft. from the SE line. and 250 ft. from the SW line 13. Penetration Point Lease Line Perpendiculars 380 ft. from the SE line. and 200 ft. from the SW line			

Permit Status: **Approved**

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

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

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W-1 Comments

Permit # **827484**

Approved Date: **Sep 13, 2017**

[Jun 2, 2017 9:14 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.

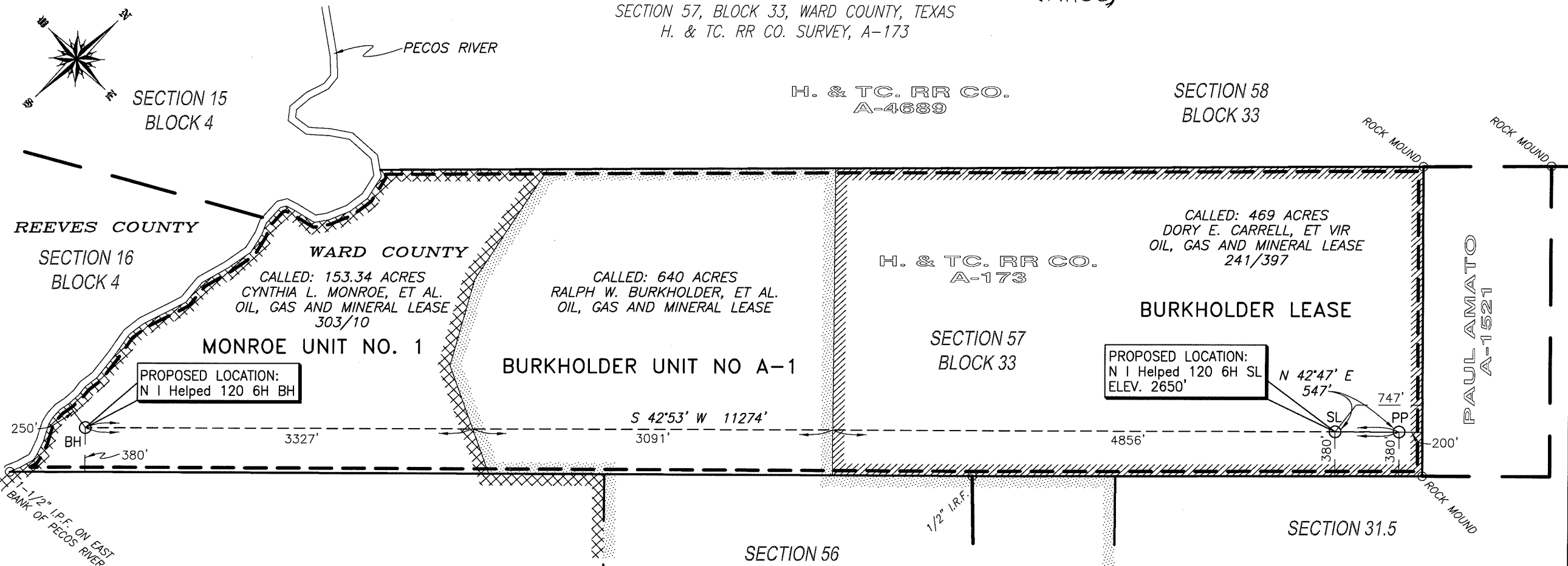
Issuance of the permit is not an endorsement or approval of the applicant's stated method of allocating production proceeds among component leases or units. All production must be reported to the Commission as production from the lease or pooled unit on which the wellhead is located and reported production 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 Jun 21, 2017 2:02 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Jul 20, 2017 1:36 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Aug 17, 2017 9:43 AM]: Problems identified with this permit are resolved.; [RRC STAFF Aug 17, 2017 9:44 AM]: Brittney Wheaton sent revised plat, p-12 and p-16.; [RRC STAFF Aug 17, 2017 11:09 AM]: Filed as a gas only well for 1587.19 acres, but if completed as an oil well will have 639.86 acres. All documents for both well types have been attached.

WELL LOCATION PLAT: N I HELPED 120 6H (Alloc)

SECTION 57, BLOCK 33, WARD COUNTY, TEXAS

H. & TC. RR CO. SURVEY, A-173



PROPOSED SURFACE LOCATION
N I HELPED 120 6H

NAD 83

NORTHING - 10546125.97

EASTING - 1318894.11

LATITUDE - 31.563340

LONGITUDE - 103.472857

ELEVATION - 2650'

PROPOSED PENETRATION POINT
N I HELPED 120 6H

NAD 83

NORTHING - 10546527.52

EASTING - 1319265.75

LATITUDE - 31.564472

LONGITUDE - 103.471701

PROPOSED BOTTOM HOLE
N I HELPED 120 6H

NAD 83

NORTHING - 10538266.78

EASTING - 1311593.48

LATITUDE - 31.541174

LONGITUDE - 103.495571

SECTION 56
BLOCK 33

H. & TC. RR CO.
A-1034

PROPOSED LOCATION:
N I Helped 120 6H SL
ELEV. 2650'

N 42°47' E
547'

747'

380'

200'

1/2" I.R.F.

1/2" I.P.F.

1/2" I.R.F.

1/2" I.P.F.

1/2" I.R.F.

1/2" I.P.F.

1/2" I.R.F.

1/2" I.P.F.

1/2" I.R.F.

1/2" I.P.F.

1/2" I.R.F.

1/2" I.P.F.

1/2" I.R.F.

1/2" I.P.F.

1/2" I.R.F.

1/2" I.P.F.

LEGEND

UNIT BOUNDARY
SURVEY LINE
I.R.F.
I.P.F.



I, the undersigned, do hereby certify that this plat is true and correct to the best of my knowledge and belief.

BY: B.S. Rose DATE: 2/22/17
TBPLS FIRM REGISTRATION NO. 10179600

Devon/Texas/West Texas/Ward County/N I Helped 120 6H/Drawings/N I HELPED 120 6H-WELL PLAT.DWG

PREPARED FOR:

devon

Horizon ROW LLC

DATE SURVEYED: 2/9/2017

DATE DRAFTED: 2/14/2017

DRAFTED BY: BLL CHECKED BY: WB

WBS: XX-122731 UFID: AA000141230

"SODA LAKE" Quadrangle
Situated 9.7 Miles North of Pecos, TX.

N I HELPED 120-6H

0 1000 2000



All bearings, distances, and coordinates shown hereon are based on the Texas State Plane Coordinate System, NAD 83 Datum (Central Zone).

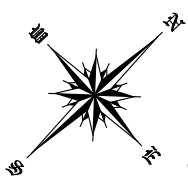
The information contained on this plat is intended for the sole use of Devon.

This plat represents a survey which meets the requirements for filing a plat with the Texas Railroad Commission and is solely intended for that purpose.

Acreage's shown hereon were furnished by Devon and are deed called or scaled from deed. This plat does not represent a boundary survey.

WELL LOCATION PLAT: N I HELPED 120 6H (ALLOC.) GAS

SECTION 57, BLOCK 33, WARD COUNTY, TEXAS
H. & TC. RR CO. SURVEY, A-173



SECTION 15
BLOCK 4

H. & TC. RR CO.
A-4689

SECTION 58
BLOCK 33

REEVES COUNTY

SECTION 16
BLOCK 4

WARD COUNTY

640 ACRES
MONROE UNIT NO. 1

640 ACRES
BURKHOLDER UNIT NO A-1

SECTION 57
BLOCK 33

H. & TC. RR CO.
A-173

CALLED: 307.19 ACRES
DORY E. CARRELL, ET VIR
OIL, GAS AND MINERAL LEASE
241/397

PAUL AMATO
A-1521

PROPOSED LOCATION:
N I Helped 120 6H BH

PROPOSED LOCATION:
N I Helped 120 6H SL
ELEV. 2650'

DETAIL "B"

DETAIL "A"

DETAIL "B"

DETAIL "A"

NOT TO SCALE

NOT TO SCALE

PROPOSED SURFACE LOCATION
N I HELPED 120 6H

NAD 83
NORTHING - 10546125.97
EASTING - 1318894.11
LATITUDE - 31.563340
LONGITUDE - 103.472857
ELEVATION - 2650'

PROPOSED PP/FTP
N I HELPED 120 6H

NAD 83
NORTHING - 10546527.52
EASTING - 1319265.75
LATITUDE - 31.564472
LONGITUDE - 103.471701

PROPOSED BOTTOM HOLE/LTP
N I HELPED 120 6H

NAD 83
NORTHING - 10538266.78
EASTING - 1311593.48
LATITUDE - 31.541174
LONGITUDE - 103.495571

H. & TC. RR CO.
A-1034

TRACT	ACREAGE
CARRELL LEASE	307.19
BURKHOLDER UNIT NO A-1	640.00
MONROE UNIT NO 1	640.00

JAMES S. ROSE
A-1029

LEGEND

UNIT BOUNDARY
SURVEY LINE
I.R.F.
I.P.F.
PP
FTP
LTP
IRON ROD FOUND
IRON PIPE FOUND
PENETRATION POINT
FIRST TAKE POINT
LAST TAKE POINT



PREPARED FOR:



Horizon ROW LLC

DATE SURVEYED: 2/9/2017

DATE DRAFTED: 2/14/2017

DRAFTED BY: BLL CHECKED BY: WB

WBS: XX-122731 UFID: AA000141230

"SODA LAKE" Quadrangle
Situated 9.7 Miles North of Pecos, TX.

N I HELPED 120-6H (ALLOC.) GAS

0 1000 2000




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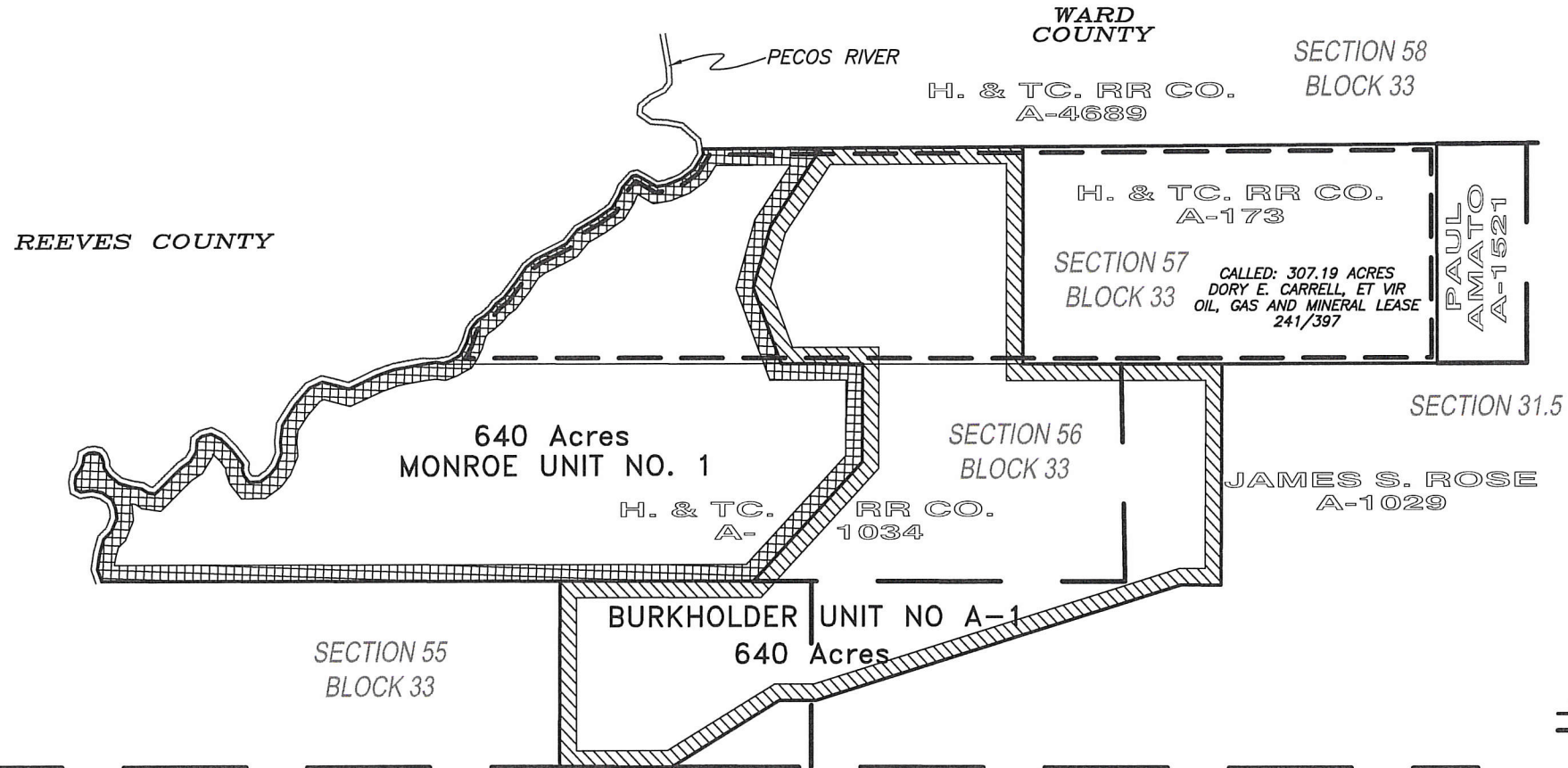
Acreage's shown hereon were furnished by Devon and are deed called or scaled from deed. This plat does not represent a boundary survey.

I, the undersigned, do hereby certify that this plat is true and correct to the best of my knowledge and belief.

BY:  DATE: 8/16/17
TBPLS FIRM REGISTRATION NO. 10179600



UNIT EXHIBIT
SECTION 57, BLOCK 33, WARD COUNTY, TEXAS
H. & TC. RR CO. SURVEY, A-173



LEGEND	
	UNIT BOUNDARY
	SURVEY LINE
	IRON ROD FOUND
	IRON PIPE FOUND

PREPARED FOR:

devon

Horizon ROW LLC

DATE SURVEYED:

DATE DRAFTED: 7/27/2017

DRAFTED BY: BLL CHECKED BY: WB

WBS: XX-122731 UFID: AA000141230

"SODA LAKE" Quadrangle
Situated 9.7 Miles North of Pecos, TX.

UNIT EXHIBIT

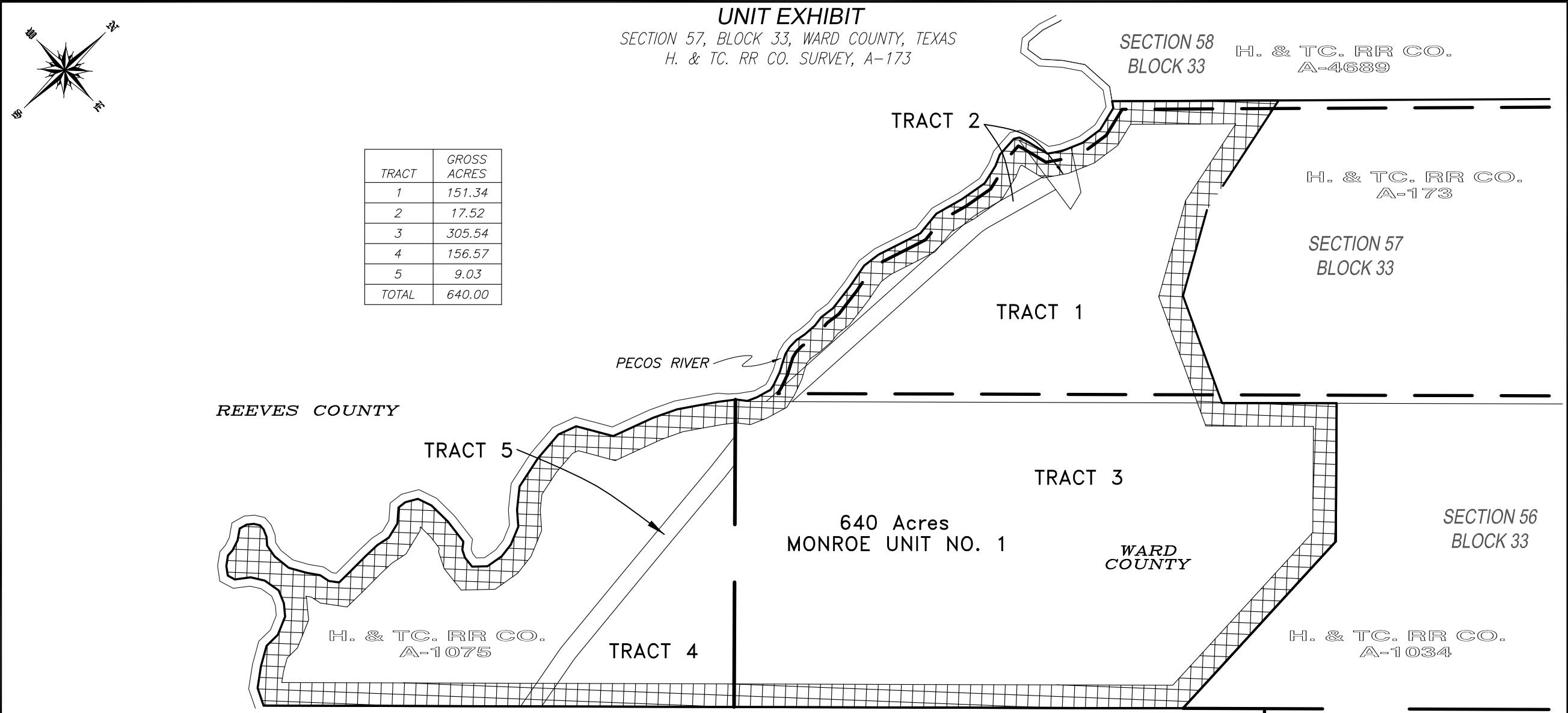


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Acres shown hereon were furnished by Devon and are deed called or scaled from deed. This plat does not represent a boundary survey.



TRACT	GROSS ACRES
1	151.34
2	17.52
3	305.54
4	156.57
5	9.03
TOTAL	640.00

PREPARED FOR:


Horizon ROW LLC

DATE SURVEYED:

DATE DRAFTED: 8/16/2017

DRAFTED BY: BLL

CHECKED BY: WB

WBS: XX-122731

UFID: AA000141230

"SODA LAKE" Quadrangle
Situated 9.7 Miles North of Pecos, TX.

MONROE UNIT EXHIBIT

020004000

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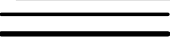
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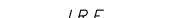
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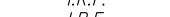
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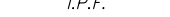
**SECTION 55
BLOCK 33**

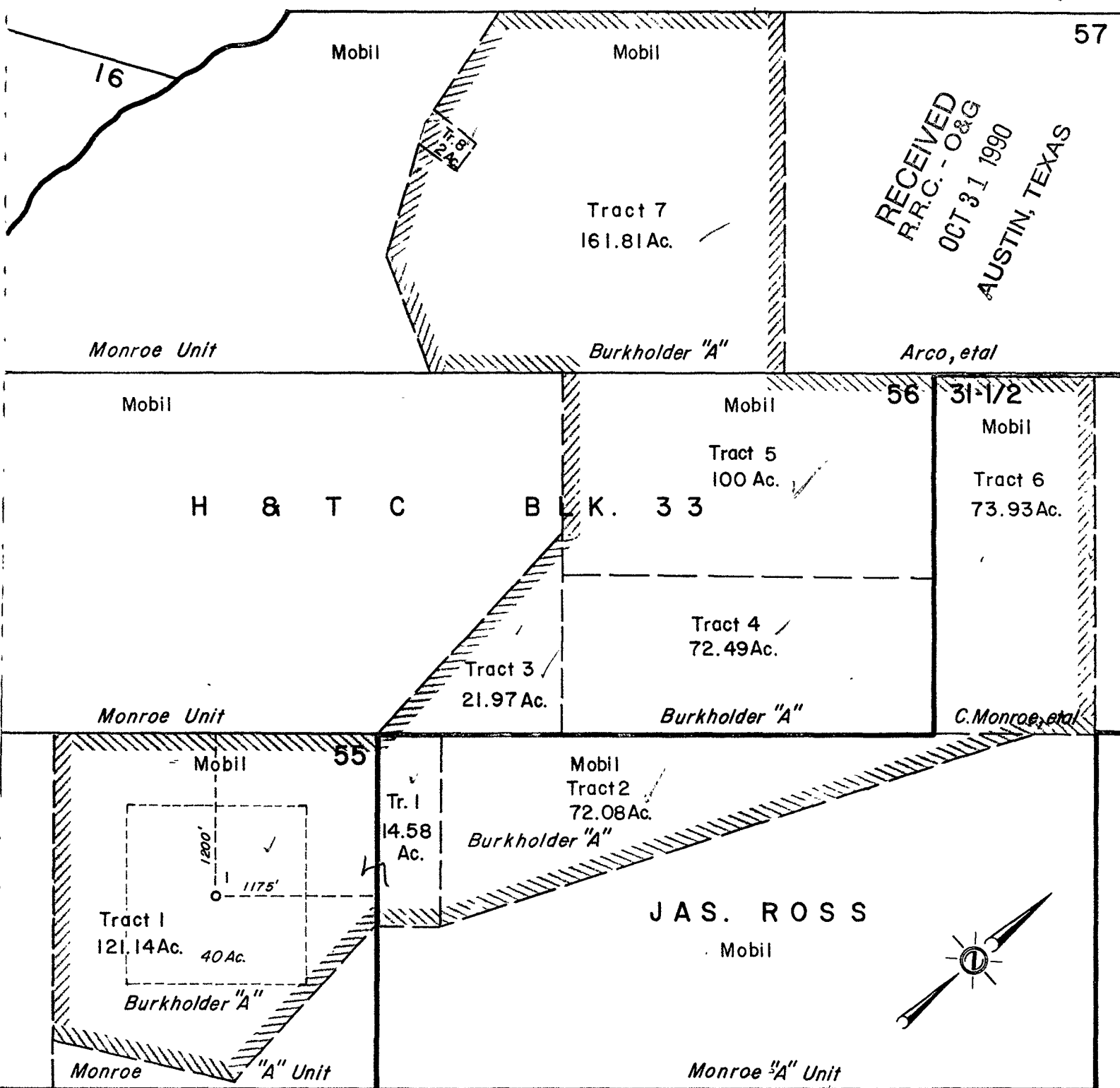
LEGEND

**UNIT BOUNDARY**

**SURVEY LINE**

**IRON ROD FOUND**

**IRON PIPE FOUND**



RECEIVED
R.R.C. - O&G
OCT 31 1990
AUSTIN, TEXAS

26

Reserve _____ Permit Depth _____

Special Instructions _____

THE STATE OF TEXAS
COUNTY OF Midland

I hereby certify that this plat truly represents conditions as they actually exist on this lease; that said plat which is drawn to the scale indicated hereon, is to the best of my knowledge true and correct; that it accurately shows said lease with all wells on same; that number and locations of said wells are as indicated hereon; and that this plat correctly reflects all pertinent and required data.

Kaye Perlock

**Mobil Producing Texas & New Mexico Inc.
Midland Division**

LEASE Burkholder "A" Unit

WELL NO. 1 DATE 10-31 19 90

LEASE NO. _____

TOTAL ACRES IN LEASE 640 ACRES COVERED BY PLAT 640

DESCRIPTION 163.81 ac. out of Sec. 57; 194.46 ac. out of Sec. 56; 121.14 ac. out of Sec. 55; 73.93 ac. out of Sec. 31-1/2; Blk. 33, H&TC RR Co. Survey; 86.66 ac. out of Jas. Ross Survey - 8 mi. North of Pecos Tx.

Ward County

DRAWN JBP

DATE 10-90

FIELD Mi Vida (Permo-Penn)

SCALE 1"=1000'

FILE NO. 467