



Railroad Commission of Texas

Introduction to Drilling Permits and Online Filing

August 19, 2021

The meeting will begin shortly.





Introduction to Drilling Permits and Online Filing

David King

July 2020



Power Point Presentation



This presentation is available for download from the RRC website at

<https://www.rrc.texas.gov/oil-and-gas/workshops-and-conferences/rrc-regulatory-webinars/regulatory-webinars-2021-schedule/>

AFFECTED STATEWIDE RULES



- **SWR 5:** Plat and Purpose of Filing
- **SWR 37:** Lease Line and Between Well Spacing
- **SWR 38:** Density
- **SWR 40:** Double Assignment of Acreage
- **SWR 86:** Horizontal Wellbores and Off-Lease penetration points.

LET'S GET STARTED



Drilling Permits

Filing W-1 Permits

[New W-1](#)

[Amend Approved Permit \(W-1\)](#)

[Copy Existing W-1](#)

[Reapply for Expired Permit \(W-1\)](#)

[Existing W-1s](#)

Queries

[Drilling Permit Query](#)

[Field Query](#)

WHAT IS YOUR PURPOSE OF FILING?



- **NEW DRILL**
- **RECOMPLETION**
- **RE CLASS**
- **FIELD TRANSFER**
- **RE ENTER**

GENERAL INFORMATION – First Half



General Information

Save (please hit save to see errors on this page)

Add Next

[Edit Operator Address](#)

*Purpose of Filing New Drill Recompletion Reclass Field Transfer Reenter

Expedite

*Wellbore Profiles Vertical Horizontal Directional Sidetrack

Horizontal Wellbore Type
(for Horizontal Wellbore Profiles only)

PSA Allocation Stacked Lateral

Status Number (for Stacked Lateral only)

*W-1 Defaults

Lease name:

Well number:

A123BC

*Total Vertical Depth:

*Do you **have** the right to develop minerals under any right-of-way? Yes No

*Is this well subject to **SWR 36** (hydrogen sulfide area)? **SWR 36** will automatically be determined by the system according to Field List entries provided.

County: (please choose)

Enter GPS coordinates for surface location in one of the following formats:

1) degrees, minutes, seconds; 2) decimal degrees; or 3) state plane.

For decimal degrees, enter coordinates in the Degrees boxes.

After saving the data on this page, click the Display Coordinates button to view the coordinates on the GIS. If necessary, the data entered coordinates will be converted to decimal degrees, the RRC standard format. The decimal degrees coordinates will display as a hyperlink. Click the hyperlink to view the surface location on the GIS. **Important:** If you make any changes to the coordinates after viewing them on the GIS, be sure to save the record, and then click Display Coordinates again to view the updated location.

Datum: (please choose)

Reset

| | Latitude | Longitude |
|----------|----------------------|----------------------|
| Degrees: | <input type="text"/> | <input type="text"/> |
| Minutes: | <input type="text"/> | <input type="text"/> |
| Seconds: | <input type="text"/> | <input type="text"/> |

OR

| State Plane | | |
|----------------------|----------------------|--------------------------------------|
| X-Coordinates | Y-Coordinates | Select Zone |
| <input type="text"/> | <input type="text"/> | (please choose) <input type="text"/> |

Display Coordinates



GPS coordinates for the SHL are required.

It is ok, and helpful, to provide coordinates for all points on the plat.

- **Coordinates must be shown on the plat:**
 - Do not enter a set of coordinates on the W-1 that are not shown on the plat.

GPS COORDINATES (2 of 2)



- **Datums allowed:**
 - GCS NAD 27, GCS NAD 83, and WGS 84.
- **Coordinate systems accepted:**
 - Degrees Minutes Seconds.
 - Decimal Degrees.
 - State Plane.
 - *The State Plane Zone is required on the plat.*

SURFACE LOCATION LEGAL DESCRIPTION



- **2 non-parallel perpendicular survey line calls.**
- **At least the survey name of the surface location.**
- **Distance & Direction FROM the nearest town to the surface location.**

GENERAL INFORMATION – Second Half



*Surface Location

API No: API No. not required for New Drill

Surface Location Type:

Distance from nearest town: miles

Direction from nearest town:

Nearest Town (in the county of the well):

Surface Survey/Legal Location Information:

Enter Abstract #, make sure County is selected above and click Auto-Populate, or fill in Survey, Section, and Block manually.

Survey:

Section:

Block:

Abstract #: A-

Township:

League:

Labor:

Porcion:

Share:

Tract:

Lot:

Additional information about the location:

Perpendicular surface location from two nearest designated reference lines:

| Perpendiculars | Distance | Direction | Distance | Direction |
|----------------|---------------------------|--|---------------------------|------------------------------------|
| Survey Lines | <input type="text"/> feet | from the <input type="text"/> line and | <input type="text"/> feet | from the <input type="text"/> line |

* required information

IMPORTANCE OF TRACKING NUMBER



Form W-1: General Information

| | | | |
|---|---|---|--------------------------------|
| Status # 828186 - API # Tracking # 491054428 | OP # 486517 - LAREDO ENERGY OPERATING, LLC Work In Progress , Created: 06/26/2017 , Filed: Hardcopy | EXAMPLE APPLICATION - Well # A123BC 08 - MIDLAND County | New Drill Horizontal |
| kind | | | |

[Queues](#) [General Information](#) [Field List](#) [Field Details](#) [Attachments](#) [Restrictions](#) [Payments](#) [Events](#) [Comments](#) [Review](#)

(please hit save to see errors on this page)

[Edit Operator Address](#)

***Purpose of Filing** **New Drill** **Recompletion** **Reclass** **Field Transfer** **Reenter**

Expedite

***Wellbore Profiles** Vertical Horizontal Directional Sidetrack

Horizontal Wellbore Type
(for Horizontal Wellbore Profiles only) PSA Allocation Stacked Lateral **Status Number (for Stacked Lateral only)**

***W-1 Defaults** Lease name: **EXAMPLE APPLICATION** Well number: **A123BC**

FIELD LIST (1 of 5)



Drilling Permits (W-1)

[Drilling Permits Main](#) [FAQs](#) [Drilling Permits Help](#)

Form W-1: Field List

| | | | |
|--|---|---|--------------------------------|
| Status # API # Tracking # 489230741 | OP # 486517 - LAREDO ENERGY OPERATING, LLC Work In Progress ,Created: 04/29/2015 ,Filed: Online | VALERIE'S WELL - Well # 1 08 - MIDLAND County | New Drill Horizontal |
|--|---|---|--------------------------------|

[General Information](#) [Field List](#) [Attachments](#) [Comments](#) [Review](#)

Click Add Field button to add a field to this permit.

associated 498 Fields with non-matching numbers



- **The Field List tab is where your proposed fields are entered.**
 - Drilling Permits staff will not question your proposed fields. Please ensure accuracy.
- **The Primary Field (first field selected):**
 - Controls the Lease Name, District Number, and wellbore profile.
 - Primary field designation can be changed once another field has been added.

FIELD LIST (3 of 5)



Drilling Permits (W-1)

[Drilling Permits Main](#) [FAQs](#)

Field Search

Field Search

Search for a Field:

- Beginning with these characters
- Containing these characters
- Matching this Number Exactly

FIELD LIST (4 of 5)



Drilling Permits (W-1)

[Drilling Permits Main](#) [FAQs](#)

Field Query Results

Field Search

Search Again

Search for a Field: Beginning with these characters
 Containing these characters (Please enter at least 3 characters)
 Matching this Number Exactly

Field Query Results

Select the field(s) in the following list (use Ctrl+Click to select multiple fields).
Click "Submit" to return to the Field List page.

| | | | |
|----------|----|-----------|-------------------------|
| 85279200 | 7C | SFRABERRY | (TREND AREA) |
| 85279201 | 7C | SFRABERRY | (TREND AREA) R 40 EXC |
| 85279400 | 7C | SFRABERRY | (TREND AREA CL. FK.) |
| 85279600 | 7C | SFRABERRY | (TREND AREA CL. FK. S.) |
| 85279800 | 7C | SFRABERRY | (TREND AREA CL. FK. W.) |
| 85280200 | 08 | SFRABERRY | (PENN.) |
| 85280300 | 08 | SFRABERRY | (TREND AREA) |
| 85280301 | 08 | SFRABERRY | (TREND AREA) R 40 EXC |
| 85280400 | 08 | SFRABERRY | (TREND AREA CL. FK.) |
| 85280500 | 08 | SFRABERRY | (TREND AREA DEAN-WLFCP) |

FIELD LIST (5 of 5)



Form W-1: Field List

| | | | |
|--|--|--|-------------------------|
| Status # 871592 - API # Tracking # 494457566 | OP # 486517 - LAREDO ENERGY OPERATING, LLC Work In Progress ,Created: 07/29/2021 ,Filed: Hardcopy | SMITH - Well # 1H 08 - ANDREWS County | New Drill Horizontal |
| kingd | | | |

[Queues](#) | [General Information](#) | [Field List](#) | [Field Details](#) | [Attachments](#) | [Restrictions](#) | [Payments](#) | [Events](#) | [Comments](#) | [Review](#)

Click Add Field button to add a field to this permit.

[Add Field](#) [Associated 498 Fields with non-matching numbers](#)

Field List

The first field added automatically becomes the primary field. Thereafter, all fields added will be pre-populated with data from the primary field. Click **Drilling Permits Help** to learn how to change the primary field.

To enter additional information about a field, click **Edit** to access the **Field Details** screen.

For a directional or horizontal wellbore profile, you must indicate if the surface location is off-lease. For a horizontal wellbore profile, you must also indicate if the penetration point is off-lease. **Be sure to click Save Changes after you update the off-lease indicators.**

Note: All applications submitted before February 2016 will display the off-lease indicators with a default value of 'No.' The information provided on the plat is the authoritative source for this information.

[Save Changes](#)

| Status | Dist # | Field Name | Field # | Lease Name | Well # | Well Type | Compl. Depth | Off-lease Surface Location | Off-lease Penetration Point | |
|--------|--------|---|----------|------------|--------|-----------------|--------------|--|--|--|
| | 08 | SPRABERRY (TREND AREA) Primary Field | 85280300 | SMITH | 1H | Oil or Gas Well | 9800 | <input type="radio"/> Yes <input checked="" type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | Delete Edit |

[Save Changes](#)



REQUIRED INFORMATION

- **Two Non-Parallel Perpendicular Lease Line Distances**
- **Pooled Unit/Unitized Lease**
- **Well Type**
- **Completion Depth**



REQUIRED INFORMATION:

- **Distance to Nearest Lease Line**
- **Distance to Nearest Well**
- **Total Wells on Lease**
- **Total Acres in the Lease**

FIELD DETAILS (3 of 6)



[Queues](#) | [General Information](#) | [Field List](#) | **[Field Details](#)** | [Attachments](#) | [Restrictions](#) | [Payments](#) | [Events](#) | [Comments](#) | [Review](#)

Field Name: **SPRABERRY (TREND AREA)**

(please hit save to see errors on this page)

*Basic Details

Lease name:

Well number:

Distance to Nearest Survey Line from Surface Location:

Total Acres in the Lease:

Off-lease Surface Location: Yes

Off-lease Penetration Point: Yes

| Surface Survey Line | Distance | Direction | Distance | Direction |
|---------------------|-------------|-----------------|-----------------|-----------------|
| Perpendiculars: | 1000.0 feet | from the n line | and 1000.0 feet | from the s line |

Pooled/Unitized: (Check if yes)

Unitized Docket Number: (Required only if Unitized)

Well Type:

Completion Depth:

Distance to Nearest Well:

No. of Wells:

Total Depth: **9800**

Horizontal Severance Upper Depth:

Lower Depth:

FIELD DETAILS (4 of 6)



Wellbore Profile

[Add Additional Terminus Location](#)

Nearest Distance from the First/Last Take Point (Heel/Toe) to a Lease Line: Nearest Perpendicular Distance from Any Take Point to a Lease Line:

Enter Abstract #, select the County and click Auto-Populate, or fill in Survey, Section, and Block manually.

Section: Block: Survey:

Abstract #: A- County: 

Additional information about the location:

| Delete | Name | Profile | | Distance (ft) | Direction | Distance (ft) | Direction |
|-------------------------------------|------|-------------------|--------|---------------------------|------------------------------------|-------------------------------|------------------------------------|
| <input checked="" type="checkbox"/> | TH1 | Terminus Point | Lease | <input type="text"/> feet | from the <input type="text"/> line | and <input type="text"/> feet | from the <input type="text"/> line |
| | | | Survey | <input type="text"/> feet | from the <input type="text"/> line | and <input type="text"/> feet | from the <input type="text"/> line |
| | | Last Take Point | Lease | <input type="text"/> feet | from the <input type="text"/> line | and <input type="text"/> feet | from the <input type="text"/> line |
| | | First Take Point | Lease | <input type="text"/> feet | from the <input type="text"/> line | and <input type="text"/> feet | from the <input type="text"/> line |
| | | Penetration Point | Survey | <input type="text"/> feet | from the <input type="text"/> line | and <input type="text"/> feet | from the <input type="text"/> line |

FIELD DETAILS (5 of 6)



Field Rules

Oil Field Rules:

County Regular: N Salt Dome: N Field Location: LAND **Don't Permit: N**

Schedule Remarks: FIELD. ORDER SIGNED: 04/12/16

Comments: P-15, LIST & LEASE PLAT OR PRO. PLAT, UFT FIELD

| Rule Type | Depth | Lease Spacing | Well Spacing | Acres per Unit | Tolerance Acres | Diagonal Code | Diagonal Max Length |
|----------------|------------|---------------|--------------|----------------|-----------------|------------------|---------------------|
| Special Rules | All Depths | 330 | 0 | 160.0 | 40.0 | Corner to Corner | 99999 |
| Optional Rules | All Depths | 467 | 0 | 80.0 | 0.0 | Corner to Corner | 99999 |

Gas Field Rules:

County Regular: N Salt Dome: N Field Location: LAND Don't Permit: N

Schedule Remarks: DESIGNATED AS UFT FIELD PER DOCKET 01-0299858

Comments: NO BETWEEN WELL SPACING

| Rule Type | Depth | Lease Spacing | Well Spacing | Acres per Unit | Tolerance Acres | Diagonal Code | Diagonal Max Length |
|---------------|------------|---------------|--------------|----------------|-----------------|---------------|---------------------|
| Special Rules | All Depths | 330 | 0 | 40.0 | 0.0 | | 0 |

FIELD DETAILS (6 of 6)



Special Horizontal Field Rules

Special Horizontal Field Rules: For informational purposes only. The Final Order controls all field rules.

[Illustration](#) [Screen Help](#)

Unconventional Fracture Treated (UFT): Yes

UFT Effective Date: 05/10/2016

Correlative Interval: From 9000 to 10154 feet

Established by API Number: 31134298

Dual Lease Line Take Point Spacing

First/Last Take Points (Heel and Toe) to Lease Line: 100 feet

Perpendicular Spacing from All Take Points to Lease Line: 330 feet

Between-Well Spacing

Horizontal to Vertical: N/A

Horizontal to Horizontal: N/A

Overlap Distance: N/A

Subsurface Tolerance Box: 33 feet

Stacked Lateral Rules: Yes (If yes, see Final Order for details)

Horizontal Depth Severance: No

Special Rule 38 (Well Density) Provision

Upper: N/A

Notification Radius: N/A

Lower: N/A

Comments for the Special Field Rules

Comments: N/A

History: Final Orders that contain special horizontal field rules language

| Docket Number | Final Order Effective Date | Final Order Document |
|---------------|----------------------------|----------------------------|
| 03-0283753 | 09/24/2013 | Click Here |

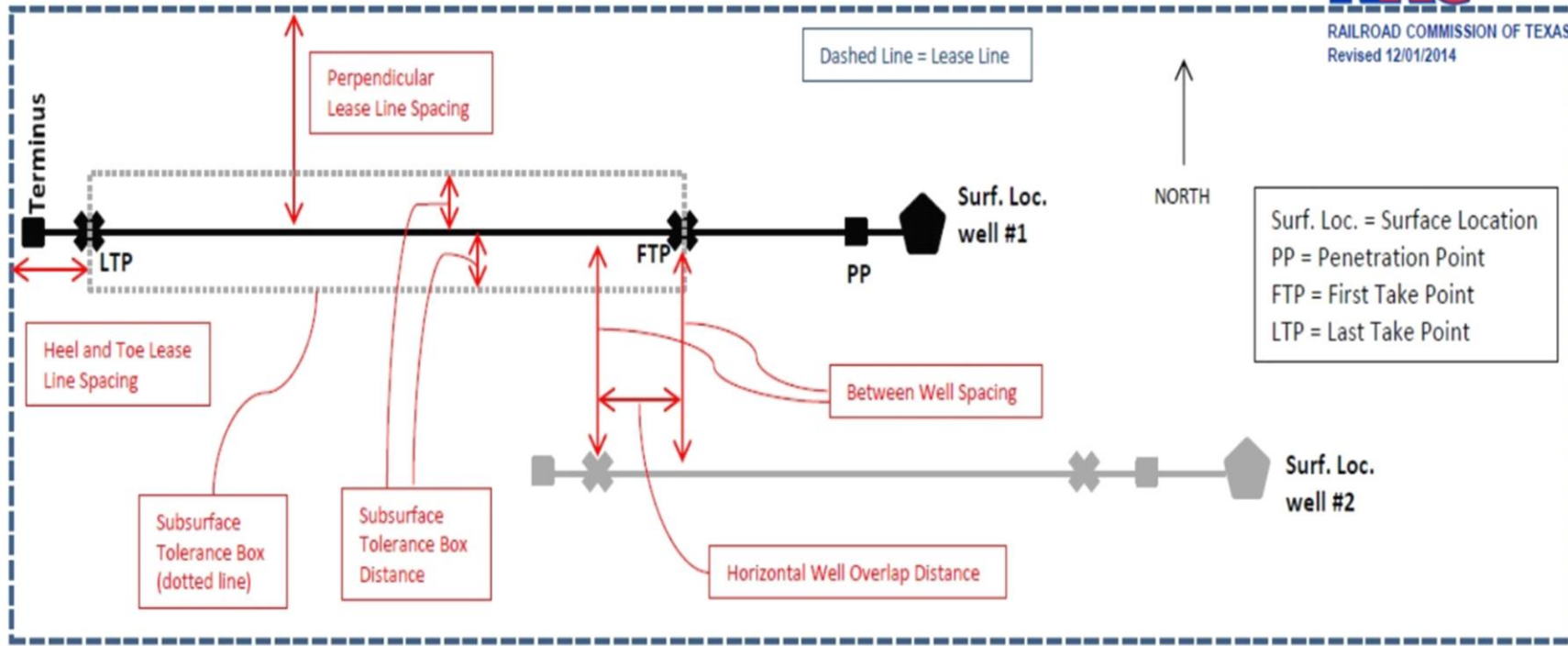
Illustration of Wellbore



FIELD RULE ILLUSTRATION: PLAT VIEW



RAILROAD COMMISSION OF TEXAS
Revised 12/01/2014





- Online system now automatically determines Rule exception status even in field with special horizontal take point language.
 - Dual lease line spacing (heel/toe spacing).
- Allows for quicker approval times for W-1s in fields with special rules that do not have rule exceptions flagged.

FIELD DETAILS TAB (2 OF 5)



Vertical Well:

***Basic Details**

Lease name: Well number: Distance to Nearest Lease Line from Surface Location:

Total Acres in the Lease:

| Distance | Direction | Distance | Direction |
|---|--|---|--|
| <input type="text" value="500.0"/> feet | from the <input type="text" value="w"/> line | and <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line |

Pooled/Unitized: (Check if yes) Unitized Docket Number: (Required only if Unitized)

Well Type: Completion Depth: Distance to Nearest Well:

No. of Wells: Total Depth: **1000**

- The box in red is the Rule 37 spacing validation for a Vertical well.
- A Directional well still requires this distance from the Surface Location, however, it will not be the Rule 37 spacing validation for that profile.

FIELD DETAILS TAB (3 OF 5)




Directional Well:

Wellbore Profile

Distance to Nearest Lease Line from Bottomhole Location:

Enter Abstract #, select the County and click Auto-Populate, or fill in Survey, Section, and Block manually.

Section: Block: Survey:

Abstract #: A- County: 

Additional information about the location:

| Delete | Name | Profile | | Distance (ft) | Direction | Distance (ft) | Direction |
|--------------------------|------|------------|--------|---|--|---|--|
| <input type="checkbox"/> | BH1 | Bottomhole | Lease | <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line | and <input type="text" value="500.0"/> feet | from the <input type="text" value="w"/> line |
| | | | Survey | <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line | and <input type="text" value="500.0"/> feet | from the <input type="text" value="w"/> line |

FIELD DETAILS TAB (4 OF 5)




Horizontal well WITHOUT special horizontal field rules:

Wellbore Profile

Nearest Distance from Any Take Point to a Lease Line:

Enter Abstract #, select the County and click Auto-Populate, or fill in Survey, Section, and Block manually.

Section: Block: Survey:

Abstract #: A- County: 

Additional information about the location:

| Delete | Name | Profile | | Distance (ft) | Direction | Distance (ft) | Direction |
|--------------------------|------|-------------------|--------|---|--|---|--|
| <input type="checkbox"/> | TH1 | Terminus Point | Lease | <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line | and <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line |
| | | | Survey | <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line | and <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line |
| | | Last Take Point | Lease | <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line | and <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line |
| | | First Take Point | Lease | <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line | and <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line |
| | | Penetration Point | Lease | <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line | and <input type="text" value="500.0"/> feet | from the <input type="text" value="n"/> line |

FIELD DETAILS TAB (5 OF 5)



Horizontal well WITH special horizontal field rules:

Wellbore Profile

Nearest Distance from the First/Last Take Point (Heel/Toe) to a Lease Line:

Nearest Perpendicular Distance from Any Take Point to a Lease Line:

Enter Abstract #, select the County and click Auto-Populate, or fill in Survey, Section, and Block manually.

Section: Block: Survey:

Abstract #: A- County:

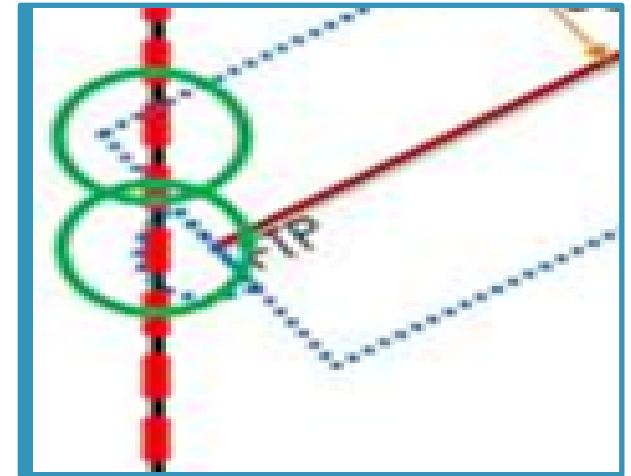
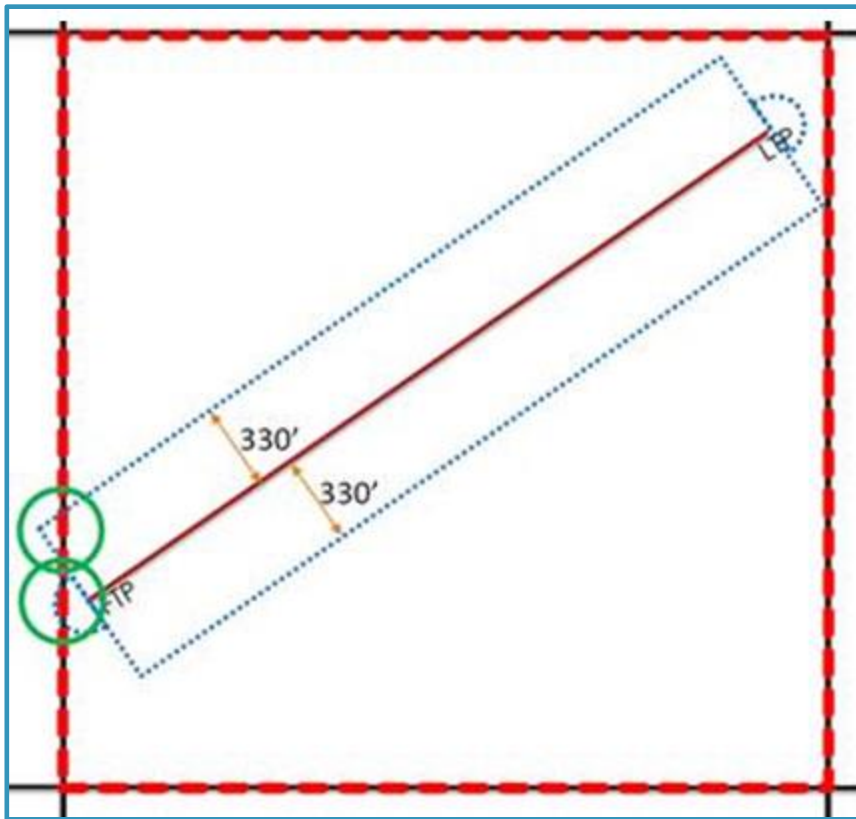
Additional information about the location:

| Delete | Name | Profile | | Distance (ft) | Direction | Distance (ft) | Direction |
|--------------------------|------|-------------------|--------|---|--------------------------------------|---|--------------------------------------|
| <input type="checkbox"/> | TH1 | Terminus Point | Lease | <input type="text" value="12.0"/> feet | from the n <input type="text"/> line | and <input type="text" value="12.0"/> feet | from the n <input type="text"/> line |
| | | | Survey | <input type="text" value="500.0"/> feet | from the n <input type="text"/> line | and <input type="text" value="500.0"/> feet | from the n <input type="text"/> line |
| | | Last Take Point | Lease | <input type="text" value="56.0"/> feet | from the n <input type="text"/> line | and <input type="text" value="10.0"/> feet | from the n <input type="text"/> line |
| | | First Take Point | Lease | <input type="text" value="500.0"/> feet | from the n <input type="text"/> line | and <input type="text" value="500.0"/> feet | from the n <input type="text"/> line |
| | | Penetration Point | Lease | <input type="text" value="500.0"/> feet | from the n <input type="text"/> line | and <input type="text" value="500.0"/> feet | from the n <input type="text"/> line |

Dual Lease Line Spacing



Heel and Toe Spacing:



Both axial distance and perpendicular distance trigger a SWR 37 exception.

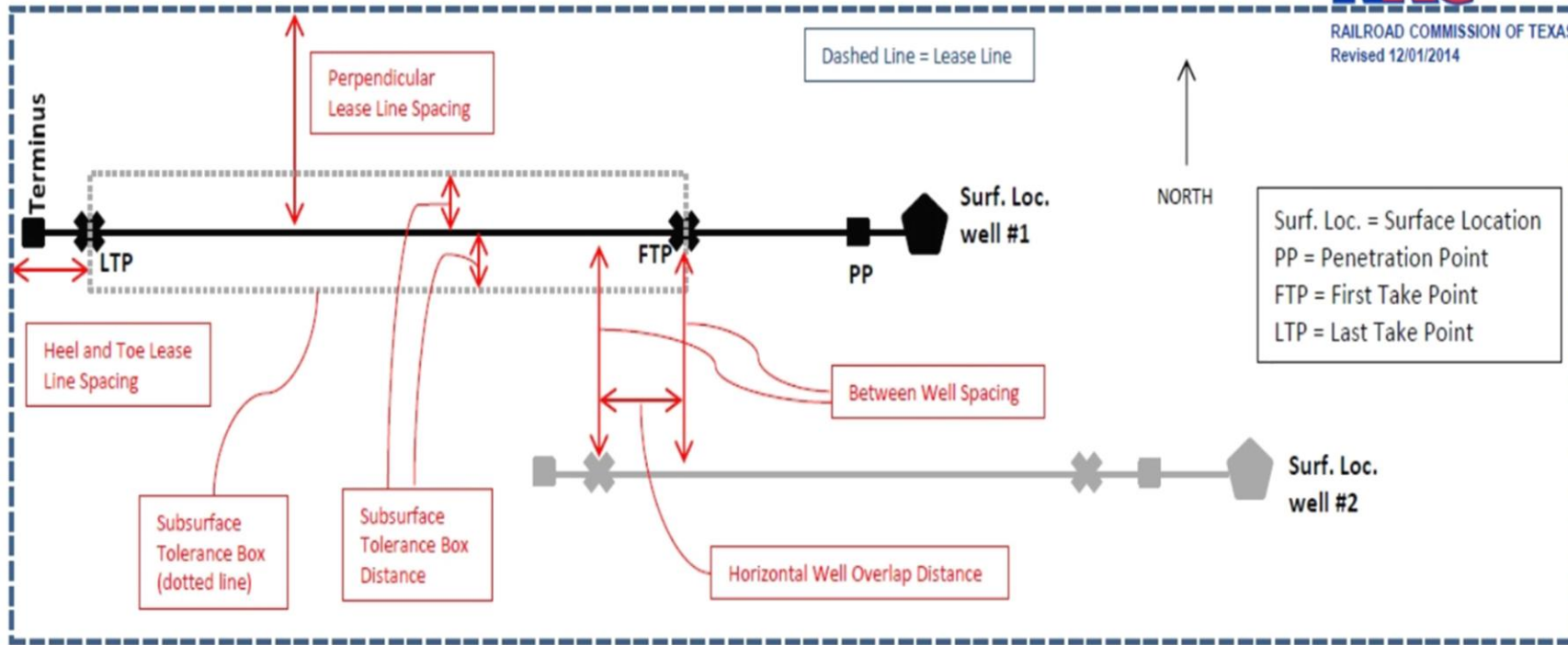
HORIZONTAL WELL Illustration



FIELD RULE ILLUSTRATION: PLAT VIEW



RAILROAD COMMISSION OF TEXAS
Revised 12/01/2014



Off Lease Penetration Point (1 of 3)



| Delete | Name | Profile | Distance (ft) | Direction | Distance (ft) | Direction | |
|--------------------------|------|-------------------|---------------|-------------|------------------|-----------------|------------------|
| <input type="checkbox"/> | TH1 | Terminus Point | Lease | 476.0 feet | from the NE line | and 50.0 feet | from the NW line |
| | | | Survey | 1503.0 feet | from the NE line | and 5636.0 feet | from the NW line |
| | | Last Take Point | Lease | 476.0 feet | from the NE line | and 100.0 feet | from the NW line |
| | | First Take Point | Lease | 476.0 feet | from the NE line | and 100.0 feet | from the SE line |
| | | Penetration Point | Survey | feet | from the line | and feet | from the line |

Resolution Explanation - Off-lease Penetration Point

| Resolution | Explanation |
|--|--|
| <input type="checkbox"/> Own Offset | You have indicated on the plat that you are the only affected party. |
| <input type="checkbox"/> Waivers | Attach a signed waiver for any party you have identified as requiring notification. |
| <input type="checkbox"/> Notices | Last Notification Date: (MM/DD/YYYY) Attach a copy of the notice and plat that were sent to affected parties. Also attach a copy of each return receipt for affected parties. Provide the date that the last notice was mailed to an affected party, and do not submit your application until 21 days after the last notification date. |
| <input type="checkbox"/> Publication | You have indicated that you have made a good faith effort to determine all affected parties. As specified in SWR 1.46, attach a copy of the notice that was published and a plat, as well as a publishers affidavit. |
| <input type="checkbox"/> Hearing Requested | If you have not been able to come to an agreement with affected parties, you may request a hearing. Attach a hearing service list that includes all affected parties. |

Docket Number (99-9999999) : Hearing Outcome: Not Applicable ▼

Off Lease Penetration Point (2 of 3)



Two Examples of acceptable Certified Mail Receipts for an Off-Lease Penetration Point Notice:

| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY |
|--|---|
| <ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. | <p>A. Signature <input checked="" type="checkbox"/> <i>Jordan Shelley</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery <i>Jordan Shelley</i> <i>7/5/18</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p> |
| <p>1. Article Addressed to:</p> <p>CrownQuest Operating LLC P.O. Box 52507 Midland, Texas 79710</p> <p>9590 9402 3235 7196 8623 30</p> | <p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Mail Restricted Delivery (20)</p> |
| <p>2. Article Number (Transfer from service label)</p> <p>7014 3490 0000 0972 6996</p> | |
| PS Form 3811, July 2015 PSN 7530-02-000-9053 | Domestic Return Receipt |

| U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided) | |
|---|---------------------------|
| For delivery information visit our website at www.usps.com. | |
| OFFICIAL USE | |
| Postage \$ | <i>5-3-18</i> <i>K</i> |
| Certified Fee | |
| Return Receipt Fee (Endorsement Required) | |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ <i>8.15</i> |
| Sent To <i>Pioneer Natural Res.</i> | |
| Street, Apt. No., or PO Box No. <i>5205 N. O'CONNOR BLVD SUITE 200</i> | |
| City, State, ZIP+4 <i>IRVING TX, 75038</i> | |
| PS Form 3800, June 2002 See Reverse for Instructions | |

| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY |
|--|---|
| <ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. | <p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee <input checked="" type="checkbox"/> <i>[Signature]</i></p> <p>B. Received by (Printed Name) C. Date of Delivery <i>Walt Crowe</i> <i>5-7-18</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p> |
| <p>1. Article Addressed to:</p> <p><i>Pioneer Natural Res.</i> <i>5205 N. O'CONNOR BLVD</i> <i>SUITE 200</i> <i>IRVING TX 75038</i></p> <p>9590 9402 3125 7166 5277 44</p> | <p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> |
| <p>2. Article Number (Transfer from service label)</p> <p>7005 1160 0005 1215 7294</p> | |
| PS Form 3811, July 2015 PSN 7530-02-000-9053 | Domestic Return Receipt |

Off Lease Penetration Point (3 of 3)



July 10, 2018

Dear Customer:

The following is the proof-of-delivery for tracking number **813393879334**.

Delivery Information:

| | | | |
|--------------------------|---------------------------|---------------------------|-------------------|
| Status: | Delivered | Delivered to: | Mailroom |
| Signed for by: | M.GOWER | Delivery location: | TX |
| Service type: | FedEx Priority Overnight | Delivery date: | Jul 5, 2018 09:38 |
| Special Handling: | Deliver Weekday | | |
| | Direct Signature Required | | |

Signature image is available. In order to view image and detailed information, the shipper or payor account number of the shipment must be provided.

Shipping Information:

| | | | |
|-------------------------|--------------|-------------------|-------------|
| Tracking number: | 813393879334 | Ship date: | Jul 3, 2018 |
|-------------------------|--------------|-------------------|-------------|

| | |
|-------------------|-----------------|
| Recipient: | Shipper: |
| TX US | MIDLAND, TX US |

A delivery receipt such as this is problematic because we can't confirm where this was delivered.

The receipt shows that the notice was delivered to a mailroom in Texas, but is not specific:

- Which mailroom?
- Where in Texas?

Depth Severance Information (1 of 4)



Field Name: **SPRABERRY (TREND AREA)**

(please hit save to see errors on this page)

***Basic Details**

Lease name: Well number: Distance to Nearest Survey Line from Surface Location:

Total Acres in the Lease: Off-lease Surface Location: Yes Off-lease Penetration Point: Yes

Surface Survey Line Perpendiculars:

| Distance | Direction | Distance | Direction |
|-------------|-----------------|-----------------|-----------------|
| 1000.0 feet | from the n line | and 1000.0 feet | from the s line |

Pooled/Unitized: (Check if yes) Unitized Docket Number: (Required only if Unitized)

Well Type: Completion Depth: Distance to Nearest Well:

No. of Wells: Total Depth: **9800**

Horizontal Severance Upper Depth: Lower Depth:

- The boxes shown here will be used to report the existence of a horizontal division of ownership.
- Values are required in these two boxes.
- These boxes are present for all UFT fields.

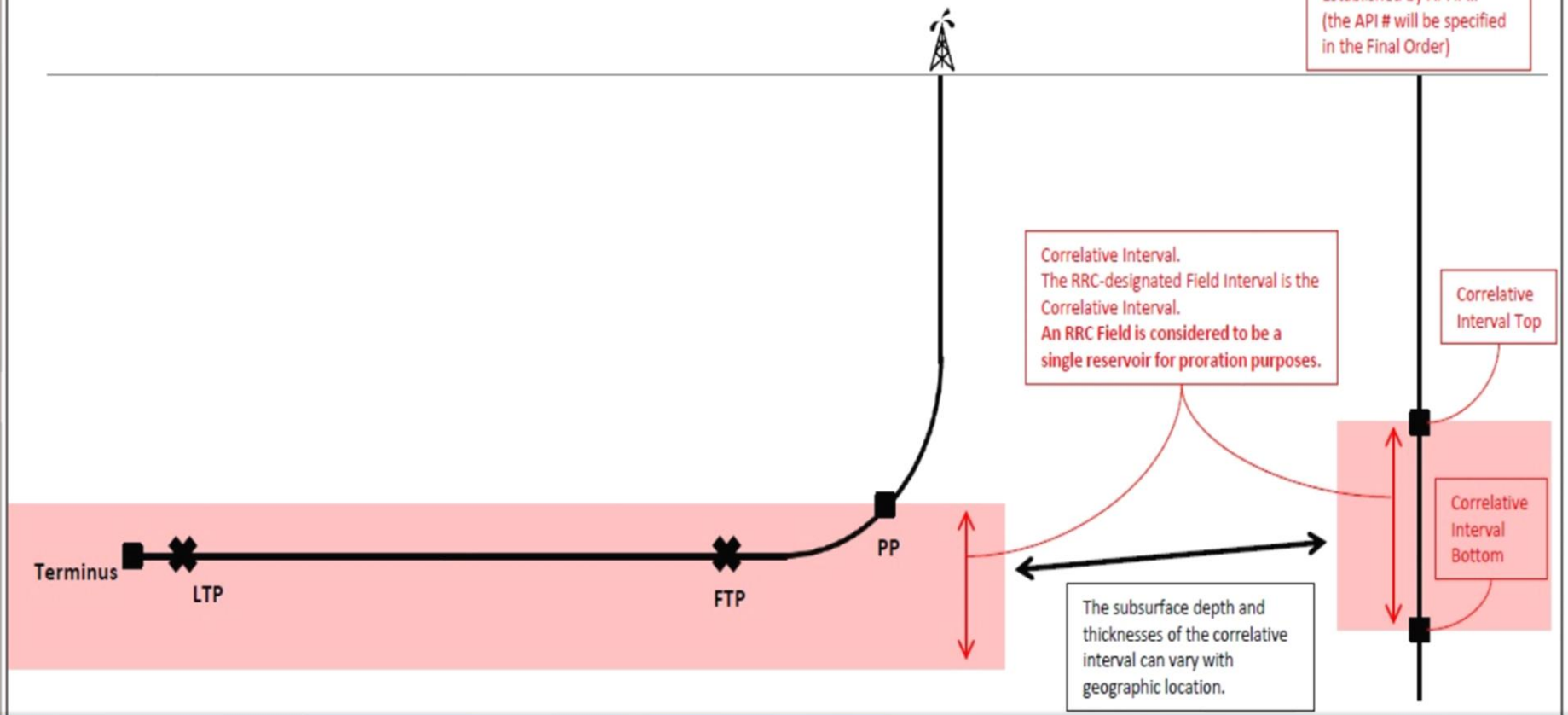


- **If a horizontal division of ownership does NOT exist,**
 - Enter 0 for the Upper and 999999 for the Lower values.
 - This will indicate full interval ownership.
- Correlative interval values from the field rules docket are an estimate and may not reflect the correlative interval at your lease location.
 - Due to this, 0-999999 is a more effective way of relaying full interval rights.

Correlative Interval Illustration



FIELD RULE ILLUSTRATION: WELLBORE SIDE VIEW OF WELL #1 ABOVE





- **If a horizontal division of ownership DOES exist:**
 - Enter the Upper and Lower values from your lease agreement to define the interval.
 - The completion depth must fall within the interval as indicated by the upper and lower values.



- **If Section V of the P-16 is being used and multiple depth severances exist:**
 - Add a comment to the W-1 and P-16 that lists the applicable severances for each tract listed in Section V.
 - The completion depth must fall within the range of all the intervals indicated in the comment.
- **For the W-1 entry when a mix of severances exists:**
 - Use the severance interval from the first tract encountered along the wellbore path in which a severance applies to the well.



WHAT ATTACHMENTS ARE REQUIRED?

- **Plat** - always required.
- **P-12** - for pooled units.
- **P-16** - for all horizontal wells in any field, and all wellbore profiles in UFT fields.
- **Rule 40** - notification documents, if applicable



Waivers, Lists, and Letters for rule exceptions or off lease PoP's:

- Any waivers, service lists, or due diligence letters are required based on your exception resolution.
 - *A Due Diligence Letter is required anytime you are requesting publication for a rule exception.*
- A field transfer letter is required for ALL Field Transfer applications.

ATTACHMENTS (3 of 3)



Drilling Permits (W-1)

[Drilling Permits Main](#)

[FAQs](#)

[Drilling Permits Help](#)

Form W-1: Image Attachments

| | | | |
|---|--|--|-------------------------|
| Status # API # Tracking # 489230741 | OP # 486517 - LAREDO ENERGY OPERATING, LLC Work In Progress ,Created: 04/29/2015 ,Filed: Online | VALERIE'S WELL - Well # 1 08 - MIDLAND County | New Drill Horizontal |
|---|--|--|-------------------------|

- A Plat needs to be attached
- All fields need to be associated with at least one Plat

[General Information](#)

[Field List](#)

[Field Details](#)

[Attachments](#)

[Comments](#)

[Review](#)

Select the type of attachment to upload :

Attachment Type

Name/Size

Associations

Delete



- For pooled units only, or when a pooled unit is being used with an Allocation or PSA permit.
- Operator Name, Field Name, and Lease name should match the acreage the P-12 supports.
- Well number should match the W1 (unless the W1 is an allocation or PSA well, see notes for details on this).



- Tract identifiers on the Form should match the tract identifiers on the plat.
- Tract acreages should match the tract acreages on the plat.
- Indicate any partially unleased interests or non-pooled interests by checking the appropriate box for each tract.

ATTACHMENTS: P-12 (3 of 3)



| Attachment Type | Name/Size | Associations |
|--------------------|---|--|
| PLAT #1 | File Name: Plat Glacier B 2H.tif Paper Size:LGL | Fields: <input checked="" type="checkbox"/> EAGLEVILLE (EAGLE FORD-1) |
| PLAT #2 | File Name: Leslie Unit Plat.tif.tif Paper Size:LTR | Fields: <input checked="" type="checkbox"/> EAGLEVILLE (EAGLE FORD-1) |
| P-12 | File Name: P-12 DP Leslie Unit Page 1.tif | <input type="radio"/> Plat Glacier B 2H.tif <input checked="" type="radio"/> Leslie Unit Plat.tif.tif <input type="radio"/> Selman Unit Plat.tif.tif |
| PLAT #3 | File Name: Selman Unit Plat.tif.tif Paper Size:LTR | Fields: <input checked="" type="checkbox"/> EAGLEVILLE (EAGLE FORD-1) |
| P-16 | File Name: P-16 DP Glacier B 2H Page 2.tif | |
| As Approved W-1 | File Name: AsApprovedW1-6-19-2018.pdf | |
| As Approved Permit | File Name: AsApprovedPermit-6-19-2018.pdf | |
| P-12 | File Name: P-12 DP Leslie Unit Page 2.tif | <input type="radio"/> Plat Glacier B 2H.tif <input checked="" type="radio"/> Leslie Unit Plat.tif.tif <input type="radio"/> Selman Unit Plat.tif.tif |
| P-12 | File Name: P-12 DP Selman Unit.tif | <input type="radio"/> Plat Glacier B 2H.tif <input type="radio"/> Leslie Unit Plat.tif.tif <input checked="" type="radio"/> Selman Unit Plat.tif.tif |
| P-16 | File Name: P-16 DP Glacier B 2H Page 1.tif | |
| As Submitted W-1 | File Name: AsSubmittedW1-6-14-2018.pdf | |

Remember to associate each P-12 with a plat:

- Individual plats have been uploaded for each pooled unit.
- Each P-12 is associated with a respective plat.



When to attach a P-16:

- All wells in UFT fields (regardless of profile).
- All horizontal wells (regardless of field).
- All Allocation and PSA wells.



What to list, and what Sections to use:

- List only wells producing that have been completed or proposed (do not list service type wells).
 - *See notes on this slide for additional info.*
- For UFT fields it is only required to show a profile specific listing.
- Refer to the chart on the next slide for which sections to use depending on your type of filing.

ATTACHMENTS: P-16 (3 of 3)



| Wellbore Profile | Section I | Section II | Section III | Section IV | Section V | Section VI | Attachment 1A | Attachment 2A |
|---------------------------------|-----------|------------|-------------|------------|-----------|------------|---------------|---------------|
| Vertical Well | Yes | Yes | Yes | Optional | No | No | Optional | No |
| Directional Well | Yes | Yes | Yes | Optional | No | No | Optional | No |
| Horizontal Well | Yes | Yes | Yes | Optional | No | No | Optional | No |
| Allocation Well | Yes | Yes | No | Optional | Yes | Yes | No | Optional |
| PSA Well | Yes | Yes | No | Yes | Yes | Yes | No | Optional |
| Stacked Lateral Well | Yes | Yes | Yes | Optional | No | No | Optional | No |
| Stacked Lateral Allocation Well | Yes | Yes | No | Optional | Yes | Yes | No | Optional |
| Stacked Lateral PSA Well | Yes | Yes | No | Optional | Yes | Yes | No | Optional |

Keep in mind that these requirements are subject to change if field rules are amended through hearing.



If you are applying for a Rule 40 exception:

- The Rule 40 Notification documents are required as detailed in SWR 40.
 - Notice letter dated within 15 days of the W-1 submission date.
 - Plat showing offsets listed within a half mile radius from producing section of the wellbore.
- Use filetype classification “Other”
 - Indicate in the filename “Rule 40 Notice”

COMMENTS



Drilling Permits (W-1)

[Drilling Permits Main](#) [FAQs](#) [Drilling Permits Help](#)

Form W-1: Comments

| | | | |
|--|---|---|--------------------------------|
| Status # API # Tracking # 489230741 | OP # 486517 - LAREDO ENERGY OPERATING, LLC Work In Progress , Created: 04/29/2015 , Filed: Online | VALERIE'S WELL - Well # 1 08 - MIDLAND County | New Drill Horizontal |
|--|---|---|--------------------------------|

[General Information](#) [Field List](#) [Field Details](#) [Attachments](#) [Comments](#) [Review](#)

Add a Comment

Enter your comment in the following text box:

Save



This is the last step before payment:

- Goal is to have 100% blue check marks.
- If errors exist go to page and resolve issues.
- When all sections show blue checkmarks, the application is ready to be submitted.

REVIEW (2 of 3)



Form W-1: Review

| | | | |
|---|---|---|--------------------------------|
| Status # API # Tracking # 489230741 | OP # 486517 - LAREDO ENERGY OPERATING, LLC Work In Progress ,Created: 04/29/2015 ,Filed: Online | VALERIE'S WELL - Well # 1 08 - MIDLAND County | New Drill Horizontal |
|---|---|---|--------------------------------|

[General Information](#) |
 [Field List](#) |
 [Field Details](#) |
 [Attachments](#) |
 [Comments](#) |
 [Review](#)

Status: Work In Progress

[View Current W-1](#) |
 [View SWR 13 Formations](#)

General / Location Information

edit Basic Information:

| Filing Purpose | Wellbore Profiles | Lease Name | Well # | SWR | Total Depth | Horizontal Wellbore | Stacked Lateral Status # |
|----------------|-------------------|----------------|--------|-----|-------------|---------------------|--------------------------|
| New Drill | Horizontal | VALERIE'S WELL | 1 | | 12000 | | |

edit Surface Location Information:

| API # | Distance from Nearest Town | Direction from Nearest Town | Nearest Town | Surface Location Type |
|-------|----------------------------|-----------------------------|--------------|-----------------------|
| | 5.5 miles | N | MIDLAND | Land |

Survey/Legal Location Information:

| Section | Block | Survey | Abstract # | County |
|---------|-------|-----------|------------|---------|
| | | T&P RR CO | 223 | MIDLAND |

| Township | League | Labor | Porcion | Share | Tract | Lot |
|----------|--------|-------|---------|-------|-------|-----|
| | | | | | | |

Perpendicular surface location from two nearest designated reference lines:

| Perpendiculars | Distance | Direction | Distance | Direction |
|----------------|-------------|---------------------|-------------|-----------------|
| Survey Lines | 2126.0 feet | from the E line and | 2270.0 feet | from the S line |

REVIEW (3 of 3)



[edit](#) Permit Restrictions:

| Code | Description |
|------|---|
| 29 | This well must comply to the new SWR 3.13 requirements concerning the isolation of any potential flow zones and zones with corrosive formation fluids. See approved permit for those formations that have been identified for the county in which you are drilling the well in. |

Fields

[edit](#) The field you are attempting to permit in will require the filer to determine if a SWR 37 exception is needed. If an exception will be needed please check the SWR 37 box in the field details page so the application can charge you for the exception. Failure to properly set up the application will increase the processing time.

| District | Field Name | Field # | Completion Depth | Lease Name | Well # | Well Type | Acres | Distance to nearest well | Distance to nearest Lease Line | SWR | Pooled/ Unitized |
|-----------------------|------------------------|----------|------------------|---------------------------------|----------|--------------------------|-----------------------------|--------------------------|--------------------------------|-----|------------------|
| 08 | SPRABERRY (TREND AREA) | 85280300 | 11000 | VALERIE'S WELL | 1 | Oil or Gas Well | 496.7 | | 100.0 | | Y |
| Primary Field | | | | | | | | | | | |
| Perpendiculars | | | Distance | Direction | | Distance | Direction | | | | |
| Surface Lease Lines | | | 2126.0 feet | from the E (off lease) line and | | 2270.0 feet | from the S (off lease) line | | | | |
| Section: | | | | Block: | | Survey: T&P RR CO | | | | | |
| Abstract #: 1171 | | | | County: MIDLAND | | | | | | | |
| Name | Profile | Distance | Direction | | Distance | Direction | | | | | |
| TH1 | Terminus Point | Lease | 50.0 feet | from the N line and | | 330.0 feet | from the W line | | | | |
| | | Survey | 50.0 feet | from the N line and | | 2440.0 feet | from the E line | | | | |
| | Last Take Point | Lease | 100.0 feet | from the N line and | | 330.0 feet | from the W line | | | | |
| | First Take Point | Lease | 462.0 feet | from the W line and | | 1.0 feet | from the S line | | | | |
| | Penetration Point | Lease | 2126.0 feet | from the E (off lease) line and | | 2270.0 feet | from the S line | | | | |

Attachments

| Attachment Type | File Path | Associated Fields and/or Plats |
|--|------------------------------|--------------------------------|
| edit PLAT #1(Paper Size : LTR) | testplat.tif | SPRABERRY (TREND AREA) |
| P-12 | testp12.tif | testplat.tif |

[Submit W-1](#)



[View Current W-1](#)



[View SWR 13 Formations](#)

PAYMENT (1 of 2)



Payment Method Page

| | | | |
|---|--|--|-------------------------|
| Status # API # Tracking # 491011143 | OP # 486517 - LAREDO ENERGY OPERATING, LLC Work In Progress ,Created: 06/20/2017 ,Filed: Online | SMITH - Well # 1H 7C - ANDREWS County | New Drill Horizontal |
|---|--|--|-------------------------|

Please select your choice of payment:

Refer to the table below for requirements and conditions of each.

Payment Methods:

There are two ways to pay the filing fees associated with your W-1:

- Credit Card (using the State of Texas payment portal)
- Electronic Check (using the State of Texas payment portal)

See the following conditions for each method:

| Payment Method | Requires | Additional Information |
|------------------|--------------------------------------|--|
| Credit Card | A valid credit card. | A fee of 2.25% and a fixed fee \$0.26 are added to the cost of the permit. |
| Electronic Check | A valid checking or savings account. | Effective 12/1/2016, a fixed fee of \$1 that is added to the cost of the permit will be decreased to 25 cents. |

PAYMENT (2 of 2)



Form W-1 Payment

| | | | |
|---|--|--|-------------------------|
| Status # API # Tracking # 489230741 | OP # 486517 - LAREDO ENERGY OPERATING, LLC Work In Progress ,Created: 04/29/2015 ,Filed: Online | VALERIE'S WELL - Well # 1 08 - MIDLAND County | New Drill Horizontal |
|---|--|--|-------------------------|

Please make sure purpose of filing is correct. If application is being filed at the request of RRC, make sure that this application as filed, satisfies the request. Attach a copy of the RRC correspondence with application. If the application is filed incorrectly all fees may be lost and you will be required to re-file.

Texas.gov Price: \$ 1158.75

| | |
|----------|--|
| \$375.00 | This is an additional W-1 application fee when requesting the application to be processed expeditiously. |
| \$750.00 | This is a basic fee for a W-1 application to drill a well at a depth greater than 9000'. |

Texas.gov Price - This online service is provided by Texas.gov, the official website of Texas. The price of this service includes funds that support the ongoing operations and enhancements of Texas.gov, which is provided by a third party in partnership with the State.

The country of domicile for this transaction is the U.S.A.

[Make Payment](#) (Pursuant to SWR 78(b)(1), this payment is a **non-refundable** fee.)

Click the **Make Payment** button above to proceed to the State Payment Portal secure site for processing your payment. To ensure a completed transaction, please wait for verification of payment processing before proceeding. Upon completion of the transaction, you will receive a return page with a **trace number** and **authorization information**.

[Back To Payment Method Page](#)

[Back To Review Page](#)

PAYMENT PORTAL (1 of 2)




- 1 Payment Type
- 2 Customer Info
- 3 Payment Info
- 4 Submit Payment

Transaction Detail

When you complete this transaction, Texas.gov will remit the following amounts to the agency on your behalf.

| SKU | Description | Unit Price | Quantity | Amount |
|-------|----------------------|------------|----------|------------|
| 1 | Drilling Permit Fees | \$1,158.75 | 1 | \$1,158.75 |
| Total | | | | \$1,158.75 |

Payment

Payment Type 

Transaction Summary

| | |
|--|------------------|
| Drilling Permit Fees | \$1,158.75 |
| Texas.gov Price  | \$1158.75 |

Need Help?

Please complete the Customer Information Section

PAYMENT PORTAL (2 of 2)



Payment Type ✓

Credit Card

Customer Information ✓ Edit

Address
Valerie Atkins
1701 North Congress
Austin, TX 78701

Phone
512-463-6751

Country
United States



Email Address
valerie.atkins@rrc.state.tx.us

Payment Info ✓ Edit

Credit Card
MasterCard ****6781
Exp. 01/2016


Name on Credit Card
Valerie Atkins

Verification

C853D  

Enter the characters from the above image:

Transaction Summary

| | |
|--|------------------|
| Drilling Permit Fees | \$1,158.75 |
| Texas.gov Price  | \$1158.75 |

Need Help?

Your payment has NOT been processed. Please review your payment information and edit Billing and Payment Method if needed, or select Make Payment.

Cancel Submit Payment

PAYMENT PROCESSED



Drilling Permits (W-1)

[Drilling Permits Main](#) [FAQs](#)

Form W-1: Payment Processed

| | | | |
|------------------------|--|----------------------------------|------------------|
| Status # 950001 | OP # 486517 - LAREDO ENERGY OPERATING, LLC | VALERIE'S WELL - Well # 1 | New Drill |
| API # | Pending Approval , Submitted: 04/30/2015 , Filed: Online | 08 - MIDLAND County | Horizontal |

An email has been sent to you at ogmtestto@rrc.state.tx.us with the details shown below.

Your payment has been successfully processed and your W-1 has been submitted to the Commission. Please retain the following information for your records.

| | |
|------------------------------|-----------------|
| Authorization Number: | 065932 |
| Trace Number: | 455DP839WUT1VQF |
| Texas.gov Price: | \$ 1158.75 |

Texas.gov Price - This online service is provided by Texas.gov, the official website of Texas. The price of this service includes funds that support the ongoing operations and enhancements of Texas.gov, which is provided by a third party in partnership with the State.

Status No: 950001

| | |
|-----------|--|
| \$ 375.00 | This is an additional W-1 application fee when requesting the application to be processed expeditiously. |
| \$ 750.00 | This is a basic fee for a W-1 application to drill a well at a depth greater than 9000'. |

[Continue To Review Page](#)



Staff can assist or investigate if:

- System timed out during payment.
- Payment successful but W-1 not submitted.
- Duplicate payment messages.



Staff cannot assist if:

- Account balance is insufficient for payment.
- CC balance is insufficient for payment, or maxed.
- You used the wrong card or method of payment:
 - *If the wrong card or account was used, and payment was successful, we cannot issue a refund.*



Tips for troubleshooting payment issues:

- Check your CC balance.
- Check your bank account balance.
- Use the Drilling Permit Query to check for successful submission.



To avoid non-refundable fees, or duplicate payments please call the Drilling Permits group if you encounter any errors:

- Do **NOT** try to resubmit if you have an issue. **Call us first.**
 - Ask for Manager or Team Lead.
- You could inadvertently make two payments if you try to resubmit before calling.

Statewide Rule 78 covers the financial aspects of the permitting process:

- By Rule, all permitting fees are *Non-Refundable*.
- If a W-1 is submitted with a Rule exception that is not needed, it will be removed, and the fees lost:
 - *Please be sure to check the accuracy of your filing before submitting.*
- If you have any questions regarding a request to amend or recomplete, please call the Drilling Permits group first.

Contact Drilling Permits



For questions or assistance regarding a W-1 application, please contact the Drilling Permits group at:

Phone: 512-463-6751

Fax: 512-463-6780

Email: drillingpermits-info@rrc.texas.gov

Website: <http://www.rrc.texas.gov/>

Address: P.O. Box 12967, Austin, Texas 78711-2967

Thank You



Remember: *You* are your best defense in preventing problems with your application. **Please be diligent and check your work *before* submitting it for review.**





Evaluation

- Please complete the evaluation available on the RRC website at <https://survey.alchemer.com/s3/6403402/2021-RRC-Regulatory-Webinars-Oil-Gas-and-Pipeline-Safety-Evaluation>

Archive Video

- A link to the archive video of the webcast will be available on the same webpage as the presentation.