

MID-CONTINENT ENERGY EXCHANGE

Oil & Gas Asset Auctions



Data Packet

Cornell Knight 1A

Mineral/Royalty Interest **PLUS 6-DUCs** in
Reeves County, TX

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Lot Summary

PERMIAN BASIN

LOT 4100

Description: 1 Well Package (Producing MI/RI)
PLUS 6-DUCS

Lease Name: CORNELL KNIGHT 1A

6 Permits: TUGBOAT STATE 7-9 A 1HA - TUGBOAT STATE 7-9 B 2HA
TUGBOAT STATE 7-9 C 3HA - TUGBOAT STATE 7-9 D 4HA
TUGBOAT STATE 7-9 E 5HA - TUGBOAR STATE 7-9 F 6HA

County & State: Reeves County, Texas

Asset Type: Mineral/Royalty Intrest

Producing Formation: SILURO-DEVONIAN

12 Month Income Info

Net Income: \$3.31

AVG Per Month: \$3.31

MONTHLY AVERAGE		
PRODUCTION MONTH	OWNER NET REVENUE	PER LOT
24-Apr	\$16.57	\$ 3.31
TOTAL	\$16.57	\$ 3.31
MONTHLY AVERAGE	\$16.57	\$ 3.31

Disclaimer: Bidders must conduct their own due diligence prior to bidding at the auction. Bidders shall rely upon their own calculations of the properties and not upon any representation either oral or written provided here. This is a summary of information provided by the seller to Mid-Continent Energy Exchange.

Property & Well Information

Lot 4100

Property & Well Name	Well Type	Operator's Name	Operator's Address	Legal Description	Completion Date	API Number	Production	AVG Daily Oil Production (3 Mo. AVG)	AVG Daily Gas Production (6 Mo. AVG)	Owner Interest	Type	Conveyed Interest 1/5
CORNELL KNIGHT 1A	GAS	Manti Tarka Permian Op, LLC	2 Riverway Dr., Ste. 1100 Houston, TX 777056	Section 9, Block C-19, PSL Survey, A-1439	10/30/1990	42-389-31048	Producing	-	300 MCF	0.0000587	RI	0.0000117400
TUGBOAT STATE 7-9 A 1HA					PERMIT	42-389-40439						
TUGBOAT STATE 7-9 B 2HA					PERMIT	42-389-40440						
TUGBOAT STATE 7-9 C 3HA					PERMIT	42-389-40441						
TUGBOAT STATE 7-9 D 4HA					PERMIT	42-389-40442						
TUGBOAT STATE 7-9 E 5HA					PERMIT	42-389-40541						
TUGBOAT STATE 7-9 F 6HA					PERMIT	42-389-40825						



CORNELL KNIGHT 1A

Lease #: 4210086641

Lease and Production Information

State	County	Operator			
TX	Reeves	MANTI TARKA PERMIAN OP, LLC			
Location	Meridan	Quarter Call	Formation	Horizontal	Production Months
API: 42-389-31048 { Sec: 9 · Blk: C19 · Survey: PSL/INGLE, T S · Abstract: 1439 }		42	GREASEWOOD (SILURO-DEVONIAN)	No	374
		Oil	Gas		
First Prod Date			1993-01-01		
Last Sale			2024-02-01		
Daily Rate			673.39		
MoM Change			10530		
YoY Change			-141773		
Cumulative			23214601		

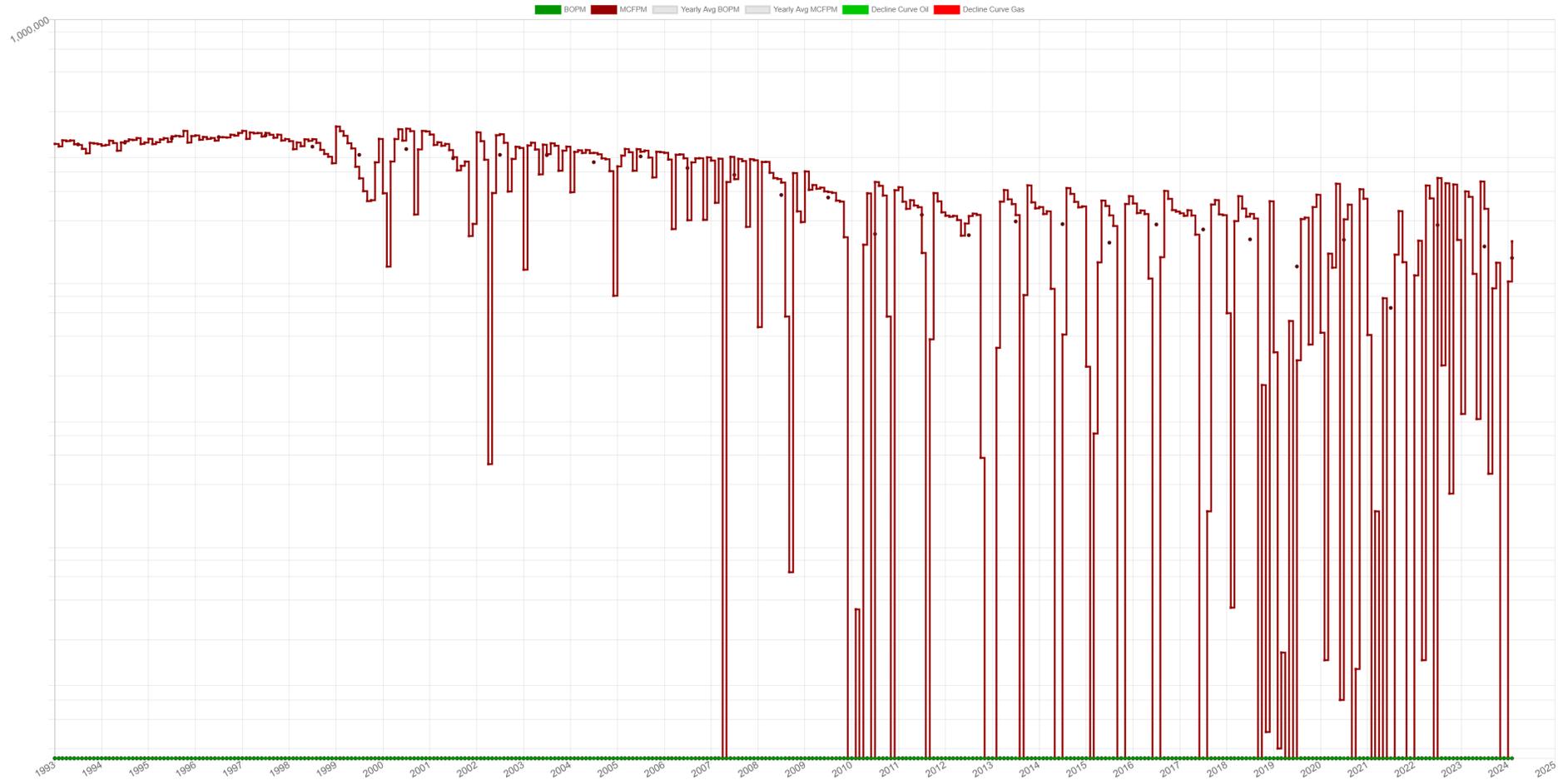
Production Snapshot

Annual Averages

Month	BOPM	MCFPM	Year	Avg BOPM	Avg MCFPM
03-2023		45348	2020		21429
04-2023		11853	2021		6536
05-2023		940	2022		27739
06-2023		59250	2023		19085
07-2023		36843	2024		15610
08-2023		362			
09-2023		9178			
10-2023		14369			
11-2023					
12-2023					
01-2024		10345			
02-2024		20875			
Average		20936			



CORNELL KNIGHT 1A - Production Plot





CORNELL KNIGHT 1A

Associated Wells

Total Well Count: 1

Well Name	API	Operator	Type	Status			
CORNELL KNIGHT 1A	4238931048	MANTI TARKA PERMIAN OP LLC	OIL	PRODUCING			
Location	Spot	Foot-NS	Foot-EW	Foot-ref	Zone		
Sec: 9 · Blk: C19 · Survey: PSL/INGLE, T S · Abstract: 1439		3480	2030	SOUTH WEST	GREASEWOOD (SILURO-DEVONIAN)		
Spud	Completion	First Production					
	1990-10-30						
Elevation	MD	TV-TD	Cmpl-Top	Cmpl-Btm	PBTD	Drill-Dir	Lateral
2676		16460					
Prod Csg	csg 1: 13 3/8" 61.0# 100.0# @ 4189' w/ 4900 sx cmt toc @ SURF csg 1: 30" 118.6# 860.0# @ 75' w/ 162 sx cmt csg 2: 13 3/8" 61.0# 100.0# @ 4189' w/ 1712 sx cmt csg 2: 9 5/8" 53.5# 350.0# @ 11200' w/ 6500 sx cmt multi stage @ 4098' toc @ 4094 csg 3: 9 5/8" 53.5# 350.0# @ 11200' csg 4: 2 3/8" @ 13607' tbg 1: 2 3/8" @ 13607' tbg 2: 2 1/16" @ 2641'						
Liner Csg	liner 1: 7 5/8" frm 11084' - 12576' w/ 200 sx. liner 2: 5 1/2" frm 10202' - 15664' w/ 519 sx.						

Revenue Statement

Owner

Operator

Check

Empty box for Owner information.

MANTI TARKA PERMIAN OP LLC
2 RIVERWAY STE 1100
HOUSTON, TX 77056-1940

Check Date April 16, 2024

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Type	Production Date	Property Values				Owner Share				
		BTU	Volume	Price	Value	Owner Interest	Distribution Interest	Volume	Value	
Property: 1000159		CORNELL KNIGHT 1A, State: TX, County: REEVES								
GAS										
ROYALTY INTEREST	Dec 22	1.0000	26,548.00	2.29	60,852.35	0.00009030	0.00009030	2.40	5.49	
TEXAS SEVERANCE TAX	Dec 22				(1,550.80)	0.00009030	0.00009030		(0.14)	
GATHERING FEES	Dec 22				(40,175.04)	0.00009030	0.00009030		(3.63)	
ROYALTY INTEREST	Jan 23	1.0000	(127.00)	4.78	(608.88)	0.00009030	0.00009030	(0.01)	(0.05)	
TEXAS SEVERANCE TAX	Jan 23				48.29	0.00009030	0.00009030		0.00	
GATHERING FEES	Jan 23				(34.94)	0.00009030	0.00009030		0.00	
ROYALTY INTEREST	Jan 23	1.0000	(198.00)	0.76	(150.94)	0.00009030	0.00009030	(0.02)	(0.01)	
TEXAS SEVERANCE TAX	Jan 23				11.32	0.00009030	0.00009030		0.00	
ROYALTY INTEREST	Feb 23	1.0000	45,903.00	1.44	66,263.63	0.00009030	0.00009030	4.15	5.98	
TEXAS SEVERANCE TAX	Feb 23				(3,297.54)	0.00009030	0.00009030		(0.30)	
GATHERING FEES	Feb 23				(22,296.46)	0.00009030	0.00009030		(2.01)	
ROYALTY INTEREST	Mar 23	1.0000	40,971.00	1.31	53,588.73	0.00009030	0.00009030	3.70	4.84	
TEXAS SEVERANCE TAX	Mar 23				(2,506.87)	0.00009030	0.00009030		(0.23)	
GATHERING FEES	Mar 23				(20,163.85)	0.00009030	0.00009030		(1.82)	
ROYALTY INTEREST	Mar 23	1.0000	(618.00)	1.41	(872.18)	0.00009030	0.00009030	(0.06)	(0.08)	
TEXAS SEVERANCE TAX	Mar 23				65.41	0.00009030	0.00009030		0.01	
ROYALTY INTEREST	Apr 23	1.0000	13,606.00	0.83	11,250.90	0.00009030	0.00009030	1.23	1.02	
TEXAS SEVERANCE TAX	Apr 23				(461.07)	0.00009030	0.00009030		(0.04)	
GATHERING FEES	Apr 23				(5,103.29)	0.00009030	0.00009030		(0.46)	

Represented Unit of Measure: Gas = MCFs, Plant Products = GALs, Oil = BBLs

Generated on Wednesday, April 17, 2024 8:21 PM

Type	Production Date	Property Values				Owner Share			
		BTU	Volume	Price	Value	Owner Interest	Distribution Interest	Volume	Value
ROYALTY INTEREST	Apr 23	1.0000	(3,415.00)	1.18	(4,039.94)	0.00009030	0.00009030	(0.31)	(0.36)
TEXAS SEVERANCE TAX	Apr 23				303.00	0.00009030	0.00009030		0.03
ROYALTY INTEREST	May 23		0.00		0.00	0.00009030	0.00009030	0.00	0.00
TEXAS SEVERANCE TAX	May 23				7.77	0.00009030	0.00009030		0.00
GATHERING FEES	May 23				(103.64)	0.00009030	0.00009030		(0.01)
ROYALTY INTEREST	May 23	1.0000	206.00	1.09	224.92	0.00009030	0.00009030	0.02	0.02
TEXAS SEVERANCE TAX	May 23				(16.87)	0.00009030	0.00009030		0.00
ROYALTY INTEREST	Jun 23	1.0000	57,358.00	1.87	107,085.55	0.00009030	0.00009030	5.18	9.67
TEXAS SEVERANCE TAX	Jun 23				(6,028.60)	0.00009030	0.00009030		(0.54)
GATHERING FEES	Jun 23				(26,704.19)	0.00009030	0.00009030		(2.41)
ROYALTY INTEREST	Jun 23	1.0000	(3,536.00)	1.88	(6,646.10)	0.00009030	0.00009030	(0.32)	(0.60)
TEXAS SEVERANCE TAX	Jun 23				498.46	0.00009030	0.00009030		0.05
ROYALTY INTEREST	Jul 23	1.0000	35,972.00	1.83	65,754.69	0.00009030	0.00009030	3.25	5.94
TEXAS SEVERANCE TAX	Jul 23				(3,696.98)	0.00009030	0.00009030		(0.33)
GATHERING FEES	Jul 23				(16,461.57)	0.00009030	0.00009030		(1.49)
ROYALTY INTEREST	Jul 23	1.0000	(2,464.00)	2.43	(5,987.29)	0.00009030	0.00009030	(0.22)	(0.54)
TEXAS SEVERANCE TAX	Jul 23				449.05	0.00009030	0.00009030		0.04
ROYALTY INTEREST	Aug 23	1.0000	1.00	0.85	0.44	0.00009030	0.00009030	0.00	0.00
TEXAS SEVERANCE TAX	Aug 23				(0.03)	0.00009030	0.00009030		0.00
GATHERING FEES	Aug 23				(0.04)	0.00009030	0.00009030		0.00
ROYALTY INTEREST	Aug 23	1.0000	0.00	2.30	(0.99)	0.00009030	0.00009030	0.00	0.00
TEXAS SEVERANCE TAX	Aug 23				0.07	0.00009030	0.00009030		0.00
ROYALTY INTEREST	Sep 23	1.0000	7,706.00	2.05	15,797.30	0.00009030	0.00009030	0.70	1.43
ROYALTY INTEREST	Oct 23	1.0000	14,131.00	1.31	18,473.95	0.00009030	0.00009030	1.28	1.67
ROYALTY INTEREST	Nov 23				0.00	0.00009030	0.00009030	0.00	0.00
TEXAS REGULATORY TAX	Nov 23				(26.08)	0.00009030	0.00009030		0.00
ROYALTY INTEREST	Nov 23		0.00		0.00	0.00009030	0.00009030	0.00	0.00
TEXAS REGULATORY TAX	Nov 23				26.08	0.00009030	0.00009030		0.00
ROYALTY INTEREST	Jan 24	0.1250	10,175.00	1.88	19,088.48	0.00009030	0.00009030	0.92	1.72
ROYALTY INTEREST	Feb 24	0.9380	20,650.00	1.42	29,283.76	0.00009030	0.00009030	1.86	2.64

Total GAS 23.75
Total Property 25.50

	Owner Gross Value	Owner Deductions	Owner Taxes	Non Revenue Deductions	Owner Net Value
Check Total	38.78	(11.83)	(1.45)		25.50
Year to Date	38.78	(11.83)	(1.45)		25.50

LEGEND:

- (SHL) - SURFACE HOLE LOCATION
- (PP) - AS-DRILLED PENETRATION POINT
- (FTP) - AS-DRILLED FIRST TAKE POINT
- (LTP) - AS-DRILLED LAST TAKE POINT
- (BHL) - AS-DRILLED BOTTOM HOLE LOCATION
- (MD) - MEASURED DEPTH
- - - - - APPROXIMATE SURVEY LINE
- ==== UNIT LINE
- - - - - PROPOSED BORE PATH
- SUBJECT AS-DRILLED BORE PATH
- AS-DRILLED BORE PATH
- - FOUND MONUMENT
- ⊗ - AS-DRILLED POINTS

NOTES:

1. This plat represents a survey made on the ground and meets the requirements for filing a well location plat with the Texas Railroad Commission and is intended solely for that purpose. Lease lines shown hereon were established from field measurements and record evidence. Mineral title information shown hereon was furnished by Manti Tarka Permian Operating, LLC and/or their agent(s). This plat does not meet the requirements for boundary surveys in the State of Texas and shall not be used to transfer title to real property.

2. All bearings, distances, areas and coordinates refer to the North American Datum of 1927, Texas Central Zone, US Survey Feet. All elevations refer to the North American Vertical Datum of 1988, US Survey Feet.

3. Patent survey lines shown hereon are approximate and have not been field verified.

4. Existing vertical wells shown hereon are either based upon filled permit plat records obtained from the Texas Railroad Commission or their locations have been verified in the field.

SURFACE HOLE LOCATION:

MANTI TARKA PERMIAN OPERATING, LLC
TUGBOAT STATE 7-9 D 4HA
STAKED ON 03/20/2023

X = 978,332' (NAD27 TxC)

Y = 685,622' (NAD27 TxC)

Elev. 2,636.5' (NAVD 1988)

LAT. 31° 30' 37.60" (31.510444°) N (NAD27)

LONG. 103° 36' 44.03" (103.612229°) W (NAD27)

LAT. 31° 30' 38.07" (31.510576°) N (NAD83/86)

LONG. 103° 36' 45.67" (103.612686°) W (NAD83/86)

Lease: 863' FSL & 1,705' FWL

Survey: 863' FSL & 1,705' FWL (A-5235)

Bears: NW 9.1 Miles from Pecos, TX

AS-DRILLED PENETRATION POINT:

X = 979,309' (NAD27 TxC)

Y = 686,485' (NAD27 TxC)

LAT. 31.512894° N (NAD27)

LONG. 103.609179° W (NAD27)

MD = 9,831.63'

Lease: 1,083' FSL & 2,651' FWL

Survey: 675' FNL & 2,651' FWL (A-5235)

AS-DRILLED FIRST TAKE POINT:

X = 979,411' (NAD27 TxC)

Y = 687,086' (NAD27 TxC)

LAT. 31.514554° N (NAD27)

LONG. 103.608906° W (NAD27)

MD = 10,840'

Lease: 1,540' FSL & 2,732' FWL

Survey: 72' FNL & 2,732' FWL (A-5235)

AS-DRILLED LAST TAKE POINT:

X = 980,006' (NAD27 TxC)

Y = 699,149' (NAD27 TxC)

LAT. 31.547751° N (NAD27)

LONG. 103.608137° W (NAD27)

MD = 22,935'

Lease: 162' FNL & 2,389' FEL

Survey: 162' FNL & 2,389' FEL (A-1439)

BOTTOM HOLE LOCATION:

X = 980,008' (NAD27 TxC)

Y = 699,247' (NAD27 TxC)

LAT. 31.548020° N (NAD27)

LONG. 103.608141° W (NAD27)

MD = 23,033'

Lease: 64' FNL & 2,390' FEL

Survey: 64' FNL & 2,390' FEL (A-1439)

FENSTERMAKER

C. H. Fenstermaker & Associates, LLC
16340 Park Ten Place
Suite 165
Houston, TX 77064
713-840-9995
TX Firm 100285-01

REVISIONS	

DRAWN BY: LME PROJ. MGR.: PSR
DATE: 02/21/2024
JOB#: 2225504.00C SHEET 1 OF 1
FILENAME: AD_TUGBOAT_7-9_D_4HA.DWG

FOR THE EXCLUSIVE USE OF
MANTI TARKA PERMIAN OPERATING, LLC
I, Steven M. Coleman, Registered Professional
Land Surveyor, do hereby state the above plat to
be true and correct to the best of my knowledge.
02/21/2024

STEVEN M. COLEMAN
3063
Steven M. Coleman
Registered Professional Land Surveyor
Registration No. 5063

SECTION 10
PSL SURVEY, A-1440

SECTION 9
PSL SURVEY, A-1439

SEC. 7
PSL SURVEY,
A-3422

**PSL SURVEY,
A-5417**

SECTION 14
H. & G.N. RR. CO.
SURVEY, A-5288

SECTION 34
T. & P. RR. CO.
SURVEY, A-4644

BLK - 54
BLK - C19

**PSL SURVEY,
A-4142**

**PSL SURVEY,
A-1430**

SECTION 3
PSL SURVEY, A-1385

**PSL SURVEY,
A-5235**

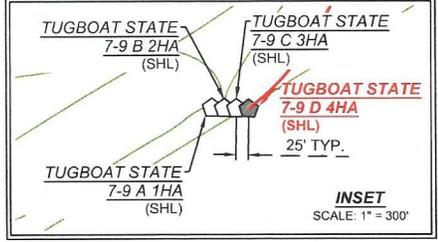
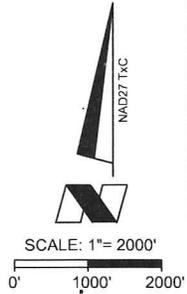
SECTION 11
PSL SURVEY, A-1441

SECTION 8
PSL SURVEY, A-1438

SECTION 11
H. & G.N. RR. CO.
SURVEY, A-386

SECTION 13
H. & G.N. RR. CO.
SURVEY, A-387

TOTAL LEASE ACRES	
TRACT NO.	ACREAGE
TRACT 1	719.68
TRACT 2	658.63
TRACT 3	120.5
TRACT 5	241
TOTAL	1,739.81



AS-DRILLED PLAT
TUGBOAT STATE 7-9 D 4HA
MANTI TARKA PERMIAN
OPERATING, LLC
SITUATED IN
SECTION 2, BLOCK C 19,
PUBLIC SCHOOL LAND SURVEY, A-5235 & A-5417
SECTION 7, BLOCK C 19,
PUBLIC SCHOOL LAND SURVEY, A-3422,
SECTION 9, BLOCK C 19 AND
PUBLIC SCHOOL LAND SURVEY, A-1439
REEVES COUNTY, TEXAS

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

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

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

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

*This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.*

Permit # **887820**
Approved Date: **Apr 20, 2023**

1. RRC Operator No. 524907	2. Operator's Name (exactly as shown on form P-5, Organization Report) MANTI TARKA PERMIAN OP, LLC	3. Lease Name TUGBOAT STATE 7-9 A	4. Well No. 1HA
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Lateral Drainhole Location Information

5. Field as shown on Form W-1 **PHANTOM (WOLFCAMP) (Field # 71052900, RRC District 08)**

6. Section 9	7. Block C19	8. Survey PSL / INGLE, T S	9. Abstract 1439	10. County of BHL REEVES
------------------------	------------------------	--------------------------------------	----------------------------	------------------------------------

11. Terminus Lease Line Perpendiculars 100 ft. from the N line. and 330 ft. from the W line
12. Terminus Survey Line Perpendiculars 100 ft. from the N line. and 330 ft. from the W line
13. Penetration Point Lease Line Perpendiculars 904 ft. from the S line. and 1630 ft. from the W line

Permit Status: **Approved**

The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

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

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

*This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.*

W-1 Comments

Permit # **887820**

Approved Date: **Apr 20, 2023**

[Apr 14, 2023 12:42 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.; [FILER Apr 14, 2023 3:34 PM]: Amending well location and allocation acreage. Rule 37, waiver letters attached.
FTP Lease: 1,564' FSL & 330' FWL
LTP Lease: 100' FNL & 330' FWL
All data hereon and attachments provided by operator.; [RRC STAFF Apr 19, 2023 2:16 PM]: Increased well count to 5 with this increase of acreage in this amendment. All TUGBOAT allocation wells being amended for this, so the well counts will be increased in succession per order of submittal.

API No. <u>42-389-40440</u> Drilling Permit # <u>887822</u> SWR Exception Case/Docket No. <u>0339011 (R37)</u>	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
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1. RRC Operator No. 524907	2. Operator's Name (as shown on form P-5, Organization Report) MANTI TARKA PERMIAN OP, LLC	3. Operator Address (include street, city, state, zip): TWO RIVERWAY STE 1100 HOUSTON, TX 77056
4. Lease Name TUGBOAT STATE 7-9 B		5. Well No. 2HA

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 checked="" 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 10300	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 REEVES	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>9.1</u> miles in a <u>NW</u> direction from <u>Pecos</u> which is the nearest town in the county of the well site.				
15. Section 2	16. Block C19	17. Survey PSL / SPARKS, I	18. Abstract No. A-5235	19. Distance to nearest lease line: ft. _____
20. Number of contiguous acres in lease, pooled unit, or unitized tract: 1739.81				
21. Lease Perpendiculars: <u>891</u> ft from the <u>S</u> line and <u>1655</u> ft from the <u>W</u> line.				
22. Survey Perpendiculars: <u>891</u> ft from the <u>S</u> line and <u>1655</u> ft from the <u>W</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	32. Number of Wells on this lease in this Reservoir
08	71052900	PHANTOM (WOLFCAMP)	Oil or Gas Well	10300	500.00	6

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. Emily Gartner, Cons.(Data provided by Oper.) Name of filer _____ Date submitted <u>Apr 17, 2023</u> <u>(512)4783456</u> _____ Phone _____ E-mail Address (OPTIONAL) <u>emily@milconinc.com</u>
RRC Use Only Data Validation Time Stamp: <u>Apr 20, 2023 11:04 AM('As Approved' Version)</u>	

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

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

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

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

*This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.*

Permit # **887822**
Approved Date: **Apr 20, 2023**

1. RRC Operator No. 524907	2. Operator's Name (exactly as shown on form P-5, Organization Report) MANTI TARKA PERMIAN OP, LLC	3. Lease Name TUGBOAT STATE 7-9 B	4. Well No. 2HA
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Lateral Drainhole Location Information

5. Field as shown on Form W-1 **PHANTOM (WOLFCAMP) (Field # 71052900, RRC District 08)**

6. Section 9	7. Block C19	8. Survey PSL / INGLE, T S	9. Abstract 1439	10. County of BHL REEVES
------------------------	------------------------	--------------------------------------	----------------------------	------------------------------------

11. Terminus Lease Line Perpendiculars 100 ft. from the N line. and 1825 ft. from the W line
12. Terminus Survey Line Perpendiculars 100 ft. from the N line. and 1825 ft. from the W line
13. Penetration Point Lease Line Perpendiculars 891 ft. from the S line. and 1655 ft. from the W line

Permit Status: **Approved**

The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

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

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

*This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.*

W-1 Comments

Permit # **887822**

Approved Date: **Apr 20, 2023**

[Apr 14, 2023 12:51 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.; [FILER Apr 14, 2023 3:35 PM]: Amending well location and allocation acreage. Rule 37, waiver letters attached.
FTP Lease: 1,556' FSL & 1,210' FWL
LTP Lease: 100' FNL & 1,825' FWL
All data hereon and attachments provided by operator.; [RRC STAFF Apr 19, 2023 2:22 PM]: Increased well count to 6 with this increase of acreage in this amendment. All TUGBOAT allocation wells being amended for this, so the well counts will be increased in succession per order of submittal.

API No. <u>42-389-40441</u> Drilling Permit # <u>887823</u> SWR Exception Case/Docket No. <u>0339012 (R37)</u>	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
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1. RRC Operator No. 524907	2. Operator's Name (as shown on form P-5, Organization Report) MANTI TARKA PERMIAN OP, LLC	3. Operator Address (include street, city, state, zip): TWO RIVERWAY STE 1100 HOUSTON, TX 77056
4. Lease Name TUGBOAT STATE 7-9 C	5. Well No. 3HA	

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 checked="" 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 10300	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 REEVES	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>9.1</u> miles in a <u>NW</u> direction from <u>Pecos</u> which is the nearest town in the county of the well site.					
15. Section 2	16. Block C19	17. Survey PSL / SPARKS, I	18. Abstract No. A-5235	19. Distance to nearest lease line: ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: 1739.81
21. Lease Perpendiculars: <u>877</u> ft from the <u>S</u> line and <u>1680</u> ft from the <u>W</u> line.		22. Survey Perpendiculars: <u>877</u> ft from the <u>S</u> line and <u>1680</u> ft from the <u>W</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	32. Number of Wells on this lease in this Reservoir
08	71052900	PHANTOM (WOLFCAMP)	Oil or Gas Well	10300	500.00	8

BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)

Remarks See W1 Comments attached	<p style="text-align: center;">Certificate:</p> I certify that information stated in this application is true and complete, to the best of my knowledge. Emily Gartner, Cons.(Data provided by Oper.) Name of filer _____ Date submitted <u>Apr 17, 2023</u> <u>(512)4783456</u> _____ Phone E-mail Address (OPTIONAL) <u>emily@milconinc.com</u>
RRC Use Only Data Validation Time Stamp: <u>Apr 24, 2023 4:19 PM('As Approved' Version)</u>	

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

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

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

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

*This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.*

Permit # **887823**
Approved Date: **Apr 24, 2023**

1. RRC Operator No. 524907	2. Operator's Name (exactly as shown on form P-5, Organization Report) MANTI TARKA PERMIAN OP, LLC	3. Lease Name TUGBOAT STATE 7-9 C	4. Well No. 3HA
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Lateral Drainhole Location Information

5. Field as shown on Form W-1 **PHANTOM (WOLFCAMP) (Field # 71052900, RRC District 08)**

6. Section 9	7. Block C19	8. Survey PSL / INGLE, T S	9. Abstract 1439	10. County of BHL REEVES
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11. Terminus Lease Line Perpendiculars 100 ft. from the N line. and 2705 ft. from the W line
12. Terminus Survey Line Perpendiculars 100 ft. from the N line. and 2705 ft. from the W line
13. Penetration Point Lease Line Perpendiculars 877 ft. from the S line. and 1680 ft. from the W line

Permit Status: **Approved**

The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

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

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

*This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.*

W-1 Comments

Permit # **887823**

Approved Date: **Apr 24, 2023**

[Apr 14, 2023 12:55 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.; [FILER Apr 14, 2023 3:35 PM]: Amending well location and allocation acreage. Rule 37, waiver letters attached.
FTP Lease: 1,550' FSL & 2,090' FWL
LTP Lease: 100' FNL & 2,705' FWL

All data hereon and attachments provided by operator.; [RRC STAFF Apr 18, 2023 2:05 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Apr 24, 2023 2:32 PM]: Problems identified with this permit are resolved.; [RRC STAFF Apr 24, 2023 2:33 PM]: Emily Gartner revised plat with correction.; [RRC STAFF Apr 24, 2023 3:36 PM]: Well count corrected to 8 to reflect currently conditions. Acreage has been added with this amendment, which means current lease conditions are required. The P-16 is correctly showing all wells.

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

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

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

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

*This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.*

Permit # **887825**
Approved Date: **Apr 20, 2023**

1. RRC Operator No. 524907	2. Operator's Name (exactly as shown on form P-5, Organization Report) MANTI TARKA PERMIAN OP, LLC	3. Lease Name TUGBOAT STATE 7-9 D	4. Well No. 4HA
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Lateral Drainhole Location Information

5. Field as shown on Form W-1 **PHANTOM (WOLFCAMP) (Field # 71052900, RRC District 08)**

6. Section 9	7. Block C19	8. Survey PSL / INGLE, T S	9. Abstract 1439	10. County of BHL REEVES
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11. Terminus Lease Line Perpendiculars 100 ft. from the N line. and 2355 ft. from the E line
12. Terminus Survey Line Perpendiculars 100 ft. from the N line. and 2355 ft. from the E line
13. Penetration Point Lease Line Perpendiculars 863 ft. from the S line. and 1705 ft. from the W line

Permit Status: **Approved**

The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

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

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

*This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.*

W-1 Comments

Permit # **887825**

Approved Date: **Apr 20, 2023**

[Apr 14, 2023 1:01 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.; [FILER Apr 14, 2023 3:35 PM]: Amending well location and allocation acreage. Rule 37, waiver letters attached.
FTP Lease: 1,543' FSL & 2,750' FWL
LTP Lease: 100' FNL & 2,355' FEL
All data hereon and attachments provided by operator.; [RRC STAFF Apr 19, 2023 2:31 PM]: Increased well count to 8 with this increase of acreage in this amendment. All TUGBOAT allocation wells being amended for this, so the well counts will be increased in succession per order of submittal.

API No. <u>42-389-40541</u> Drilling Permit # <u>889818</u> SWR Exception Case/Docket No. <u>0340055 (R37)</u>	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
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1. RRC Operator No. <u>524907</u>	2. Operator's Name (as shown on form P-5, Organization Report) <u>MANTI TARKA PERMIAN OP, LLC</u>	3. Operator Address (include street, city, state, zip): <u>TWO RIVERWAY STE 1100 HOUSTON, TX 77056</u>
4. Lease Name <u>TUGBOAT STATE 7-9 E</u>		5. Well No. <u>5HA</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"/> 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>10300</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>REEVES</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</u> miles in a <u>NW</u> direction from <u>Pecos</u> which is the nearest town in the county of the well site.			
15. Section <u>2</u>	16. Block <u>C19</u>	17. Survey <u>PSL / HOURIGAN, A</u>	18. Abstract No. <u>A-1428</u>
21. Lease Perpendiculars: <u>336</u> ft from the <u>S</u> line and <u>980</u> ft from the <u>W</u> line.		19. Distance to nearest lease line: _____ ft.	
22. Survey Perpendiculars: <u>336</u> ft from the <u>S</u> line and <u>980</u> ft from the <u>W</u> line.		20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>1514.31</u>	
23. Is this a pooled unit? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		25. Are you applying for Substandard Acreage Field? <input type="checkbox"/> Yes (attach Form W-1A) <input checked="" type="checkbox"/> No	
24. Unitization Docket 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	32. Number of Wells on this lease in this Reservoir
08	71052900	PHANTOM (WOLFCAMP)	Oil or Gas Well	10300	500.00	9

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. Emily Gartner, Cons.(Data provided by _____ Oper.) _____ Name of filer _____ Date submitted <u>Apr 17, 2023</u> <u>(512)4783456</u> _____ Phone _____ E-mail Address (OPTIONAL) <u>emily@milconinc.com</u>
RRC Use Only Data Validation Time Stamp: <u>Apr 20, 2023 11:04 AM('As Approved' Version)</u>	

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

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

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

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

*This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.*

Permit # **889818**
Approved Date: **Apr 20, 2023**

1. RRC Operator No. 524907	2. Operator's Name (exactly as shown on form P-5, Organization Report) MANTI TARKA PERMIAN OP, LLC	3. Lease Name TUGBOAT STATE 7-9 E	4. Well No. 5HA
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Lateral Drainhole Location Information

5. Field as shown on Form W-1 **PHANTOM (WOLFCAMP) (Field # 71052900, RRC District 08)**

6. Section 9	7. Block C19	8. Survey PSL / INGLE, T S	9. Abstract 1439	10. County of BHL REEVES
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11. Terminus Lease Line Perpendiculars 100 ft. from the N line. and 1476 ft. from the E line
12. Terminus Survey Line Perpendiculars 100 ft. from the N line. and 1476 ft. from the E line
13. Penetration Point Lease Line Perpendiculars 336 ft. from the S line. and 980 ft. from the W line

Permit Status: **Approved**

*The RRC has not approved this application.
Duplication or distribution of information is at
the user's own risk.*

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

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

*This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.*

W-1 Comments

Permit # **889818**

Approved Date: **Apr 20, 2023**

[Apr 14, 2023 1:09 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.; [FILER Apr 14, 2023 1:13 AM]: Allocation unit. Rule 37, waiver letters attached.
FTP Lease: 723' FSL & 553' FWL
LTP Lease: 100' FNL & 1,476' FEL
All data hereon and attachments provided by operator.

API No. <u>42-389-40825</u> Drilling Permit # <u>893721</u> SWR Exception Case/Docket No. <u>0342246 (R37)</u>	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
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1. RRC Operator No. 524907	2. Operator's Name (as shown on form P-5, Organization Report) MANTI TARKA PERMIAN OP, LLC	3. Operator Address (include street, city, state, zip): TWO RIVERWAY STE 1100 HOUSTON, TX 77056
4. Lease Name TUGBOAT STATE 7-9 F		5. Well No. 6HA

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 10300	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 REEVES	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</u> miles in a <u>NW</u> direction from <u>PECOS</u> which is the nearest town in the county of the well site.				
15. Section 2	16. Block C19	17. Survey PSL/HOURIGAN, A	18. Abstract No. A-1428	19. Distance to nearest lease line: ft. _____
20. Number of contiguous acres in lease, pooled unit, or unitized tract: 2154.31				
21. Lease Perpendiculars: <u>336</u> ft from the <u>S</u> line and <u>1005</u> ft from the <u>W</u> line.				
22. Survey Perpendiculars: <u>336</u> ft from the <u>S</u> line and <u>1005</u> ft from the <u>W</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	32. Number of Wells on this lease in this Reservoir
08	71052900	PHANTOM (WOLFCAMP)	Oil or Gas Well	10300	441.00	12

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. Ryan Bergeron, Cons. (Data provided by Oper.) <u>Sep 14, 2023</u> Name of filer _____ Date submitted _____ <u>(512)4783456</u> <u>rbergeron@milconinc.com</u> Phone _____ E-mail Address (OPTIONAL) _____
RRC Use Only Data Validation Time Stamp: Sep 20, 2023 2:12 PM('As Approved' Version)	

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

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

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

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

*This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.*

Permit # **893721**
Approved Date: **Sep 20, 2023**

1. RRC Operator No. 524907	2. Operator's Name (exactly as shown on form P-5, Organization Report) MANTI TARKA PERMIAN OP, LLC	3. Lease Name TUGBOAT STATE 7-9 F	4. Well No. 6HA
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Lateral Drainhole Location Information

5. Field as shown on Form W-1 **PHANTOM (WOLFCAMP) (Field # 71052900, RRC District 08)**

6. Section 9	7. Block C19	8. Survey PSL/INGLE, T S	9. Abstract 1439	10. County of BHL REEVES
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11. Terminus Lease Line Perpendiculars 100 ft. from the N line. and 596 ft. from the E line
12. Terminus Survey Line Perpendiculars 100 ft. from the N line. and 596 ft. from the E line
13. Penetration Point Lease Line Perpendiculars 336 ft. from the S line. and 1005 ft. from the W line

Permit Status: **Approved**

The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

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

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

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W-1 Comments

Permit # **893721**

Approved Date: **Sep 20, 2023**

[Jun 29, 2023 3:49 PM]: 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.; [FILER Sep 14, 2023 10:36 AM]: Allocation well. Rule 37, waivers attached.
FTP Unit: 1431' FWL & 1309' FSL.
LTP Unit: 100' FNL & 596' FEL.
All data hereon and attachments provided by the operator.

MINERAL AND ROYALTY DEED

GRANTOR: _____

GRANTEE: _____

Reeves Co., TX

**THIS PAGE ADDED TO PROVIDE SUFFICIENT SPACE FOR THE RECORDING
CLERK'S STAMP**

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

MINERAL AND ROYALTY DEED

THE STATE OF TEXAS}

KNOW ALL MEN BY THESE PRESENTS: THAT

COUNTY OF REEVES}

_____ whose address is _____, ("Grantor"), for One Hundred Dollars (\$100.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby GRANTS, SELLS, CONVEYS, and ASSIGNS unto _____ whose address is _____, ("**Grantee**"), **an undivided 13% of Grantors Right, Title and Interest acquired as of Effective date June 1, 2024 in that certain Mineral and Royalty Deed recorded as Instrument Number 2024004147** in and to the oil, gas, and mineral interests, royalty interests and other interests, in and under those certain lands ("Lands") described below and located in Reeves County, Texas:

All of those certain tracts of parcels of land within the geographical boundaries of the CORNELL KNIGHT UNIT, containing 721 acres of land, more or less, out of Section 9, Block C-19, PSL/Ingle T S Survey, A-1439, Reeves County, Texas, possibly described in Unit Declaration, Unit Designation or other instrument recorded in the Official Public Records of Reeves County, Texas.

LIMITED HOWEVER to such oil, gas, mineral interests, royalty interests, overriding royalty interests, and other interests in the Lands acquired by Grantor by that certain Mineral and Royalty Deed ("_____ Deed") dated effective June 1, 2024, from _____ to _____, et al recorded as Document Number 2024004147, of the Official Public Records of Reeves County, Texas;

Grantor expressly RESERVES from this conveyance all of Grantor's interest conveyed in the _____ Deed, except those Lands described hereinabove. Grantor further excepts from this conveyance and reserves unto Grantor all of Grantor's right, title and interest in and to any after-acquired title, remainderman and reversionary interests.

This sale is made subject to all prior conveyances of mineral, royalty or wellbore interests of record, if any, and further subject to any rights now existing to any lessee or assigns under any valid and subsisting oil, gas, and mineral lease(s) of record heretofore executed; it being understood and agreed that said Grantee shall have, receive, and enjoy the herein-granted undivided interests in and to all royalties and other benefits which may accrue under the terms of said lease(s) insofar as the lease(s) covers the above-described interests from and after the Effective Date hereof.

Grantor agrees to execute such further assurances as may be necessary or requisite for the full and complete enjoyment of the rights herein granted. Grantor and Grantee agree to execute any Acts of Correction that may be necessary in the event the interests intended to be conveyed are not properly described.

TO HAVE AND TO HOLD the above-described interests and all other rights herein granted, all and singular, the rights and appurtenances thereto belonging or appertaining. The terms, covenants and

Lot #4100

conditions contained in this Mineral and Royalty Deed shall be binding upon and inure to the benefit of the parties and their respective heirs, successors, and assigns.

The interests conveyed herein are conveyed without warranty, express or implied, and all covenants that may arise under common law or the statutory implied covenants contained in Section 5.023 of the Texas Property Code are hereby disclaimed.

EXECUTED on the acknowledgment date below, but **EFFECTIVE** as of **September 1, 2024** (the "Effective Date"), and therefore Grantee is entitled to the interests conveyed hereby on and after the Effective Date, but not before. Notwithstanding the above, all ad valorem taxes and other property taxes attributable to the interests conveyed herein for the 2024 calendar year shall be the sole responsibility of the Grantee. The Grantee represents to Grantor that Grantee has considered the liability for such ad valorem taxes and property taxes in determining the consideration paid herein.

GRANTOR: _____

STATE OF _____ }
COUNTY OF _____ } SS.

The foregoing instrument was acknowledged before me this _____ day of _____, 20____,
by _____

My Commission Expires:

Notary Public