

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL AND GAS DOCKET
NO. 09-0286621**

**IN THE NEWARK, EAST (BARNETT
SHALE) FIELD, WISE COUNTY,
TEXAS**

**FINAL ORDER
APPROVING THE APPLICATION OF MCCUTCHIN PETROLEUM CORPORATION
FOR AN EXCEPTION TO STATEWIDE RULE 11
REQUIRING THE FILING OF A DIRECTIONAL SURVEY
ON ITS CHAMPION UNIT, WELL NO. 1H (268554)
IN THE NEWARK, EAST (BARNETT SHALE) FIELD,
WISE COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on January 30, 2014, the presiding examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiners' report and proposal for decision, the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that McCutchin Petroleum Corporation is granted an exception to Statewide Rule 11 for its Champion Unit, Well No. 1H (API No. 497-37155). This exception is for the directional gyro survey conducted on the vertical portion of the wellbore from the surface to a depth of 6,180 feet on October 10, 2010, by Reliable Survey Corporation.

The operator shall file a well record only G-1 for this well and attach a copy of this Final Order, including the attachment, to establish and maintain documentation of the survey in Commission well records.

Done this 25th day of March, 2014.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Divisions' Unprotested Master Order
dated March 25, 2014)**

ATTACHMENT

McCutchin Petroleum Corporation
8343 Douglas, Suite 370
Dallas, Texas 75225
(214) 265-9030
(214) 265-9032- Fax

February 19, 2014

**RE: Certification of Gyroscopic Multishot Survey, Champion Well No. 1-H (268554)
Newark East (Barnett Shale) Field, Wise Co., Texas**

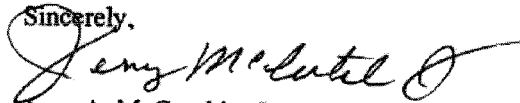
Mr. Paul Dubois, Technical Examiner
Railroad Commission of Texas
P.O. Box 12967
Austin, Texas 78711-2967

Dear Paul:

Enclosed please find the Certification letter by Jason Harbour who ran the original survey on the Champion well for Reliable Survey. I hope this will bring closure to this issue.

If there are any questions, please call me or Jason, I've enclosed his business card.

Sincerely,



Jerry A. McCutchin, Jr.
President

2014 FEB 21 AM 8:19
DOCKET SERVICES
RAILROAD COMMISSION
OF TEXAS

FILED

Robert J. Harbour
6040 Iron Drive
Ft. Worth, Texas 76179
(940) 393-3953

January 31, 2014

**RE: Certification of Gyroscopic Multishot Survey, Champion well No. 1-H (268554),
Newark East (Barnett Shale) field, Wise County, Texas**

Mr. Paul D. Dubois, Technical Examiner
Railroad Commission of Texas
P.O. Box 12967
Austin, Texas 78711-2967
paul.dubois@rrc.state.tx.us

Dear Mr. Dubois:

It is my understanding that Jerry McCutchin, Jr., President of McCutchin Petroleum Corporation appeared at a Commission hearing to consider an exception to Statewide Rule No. 11 requiring the filing of a certified directional survey for the Champion 1-H well. Mr. McCutchin conveyed that the Commission would except the survey that was performed when I was employed at Reliable Survey Corporation, although they are no longer in business and therefore do not have a current P-5 on file. The following is my certification of the survey I performed on the Champion 1-H:

I, **Robert J. Harbour**, certify that: At the time this survey was performed, I was employed by **Reliable Survey Corporation**; that I did on the day(s) of **10/10/10 through 10/10/10**; conduct the taking of a **Gyroscopic Multishot Survey** from a depth of **Surface to a depth of 6180 feet**, that the data is true and correct and within the limitations of the tool set forth by **Reliable Survey Corporation**; that I was authorized and qualified to make this report; that this survey was conducted at the request of **McCutchin Petroleum Corporation** for the **Champion # 1-H well, API # 42-497-37155**, **Wise County, Texas**; and that I have reviewed this report and find that it conforms to the principles and procedures as set forth by **Reliable Survey Corporation**.

Sincerely,

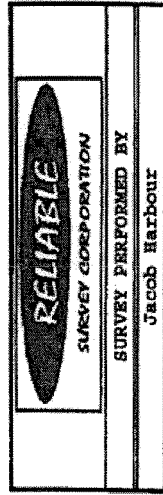


Robert J. Harbour
Senior Surveyor

CUSTOMER: McCutchin Petroleum
 WELL NAME: Champion #1-H
 LOCATION: Wise County, TX
 RIG: Stainberger #4
 DATE: 10/10/10
 DECLINATION: 4.2 E. TO GRID
 PLANE OF PROPOSAL (AZM):
 PROJECTED DEPTH (FT): NONE
 COMMENTS: GYROSCOPIC MULTI-SHOT SURVEY SERVICE
 COMMENTS:

2/13/2014

API#: 42-487-37155
 PERMIT#: 703088
 RELIABLE SURVEY JOB# R327910
 CALC. METH.: MIN. CURVATURE



REF. ELEV.:
 COORD. "X":
 COORD. "Y":

McCutchin Petroleum-Champion #1-H-Wise County, TX

MEAS DEPTH (FEET)	HOLE		TRUE VERTICAL DEPTH (FEET)	VERTICAL SECTION (FEET)		RECTANGULAR COORDINATES N/S E/W (FEET)		CLOSURE DISTANCE (FEET)		CLOSURE DIR (DEG)		DOGLEG 100/FT (DEG)	
	INCL (DEG)	DIR (AZM)		SECTION (FEET)	N/S (FEET)	E/W (FEET)	DISTANCE (FEET)	DIR (DEG)	DISTANCE (FEET)	DIR (DEG)	DISTANCE (FEET)	DIR (DEG)	
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
200	0.75	230.96	199.99	-0.82	0.82 S	1.02 W	1.31	230.96	0.38	230.96	0.13	230.96	0.13
400	1.00	226.91	399.97	-2.84	2.84 S	3.31 W	4.36	229.34	0.49	229.34	0.12	229.34	0.12
600	1.75	254.86	599.91	-4.83	4.83 S	7.53 W	8.95	237.32	0.42	237.32	0.03	237.32	0.03
800	1.75	246.82	799.82	-6.83	6.83 S	13.29 W	14.94	242.79	0.42	242.79	0.13	242.79	0.13
1000	1.00	230.76	999.76	-9.14	9.14 S	17.44 W	19.69	242.36	0.03	242.36	0.25	242.36	0.25
1200	1.00	234.71	1199.73	-11.25	11.25 S	20.22 W	23.14	240.91	0.47	240.91	0.03	240.91	0.03
1400	0.50	226.57	1399.71	-12.86	12.86 S	22.28 W	25.72	240.01	0.03	240.01	0.25	240.01	0.25
1600	0.50	86.39	1599.71	-13.40	13.40 S	22.04 W	25.80	238.70	0.03	238.70	0.47	238.70	0.47
1800	0.50	93.22	1799.70	-13.40	13.40 S	20.30 W	24.32	236.58	0.03	236.58	0.03	236.58	0.03
2000	0.75	94.04	1999.69	-13.54	13.54 S	18.12 W	22.62	233.24	0.13	233.24	0.13	233.24	0.13
2200	1.00	208.87	2199.68	-15.16	15.16 S	17.66 W	23.27	229.36	0.74	229.36	0.74	229.36	0.74
2400	1.50	109.69	2399.65	-17.57	17.57 S	16.04 W	23.79	222.39	0.97	222.39	0.97	222.39	0.97
2600	1.50	115.51	2599.58	-19.58	19.58 S	11.21 W	22.56	209.80	0.08	209.80	0.08	209.80	0.08
2800	1.25	142.34	2799.52	-22.43	22.43 S	7.52 W	23.66	198.52	0.34	198.52	0.34	198.52	0.34
3000	1.25	155.16	2899.48	-26.14	26.14 S	5.27 W	26.66	191.39	0.14	191.39	0.14	191.39	0.14
3200	1.50	140.64	3199.42	-30.14	30.14 S	2.69 W	30.26	185.10	0.21	185.10	0.21	185.10	0.21

Certified True and Correct as Represented by Field Notes

McCutchin Petroleum—Champion #1-H—Wise County, TX

MEAS DEPTH (FEET)	INCL (DEG)	HOLE		TRUE		VERTICAL		RECTANGULAR		CLOSURE		CLOSURE		DOGLEG 100/FT (DEG)
		DIR	(AZIM)	VERTICAL DEPTH (FEET)	SECTION (FEET)	N/S (FEET)	E/W (FEET)	DISTANCE (FEET)	DIR (DEG)	DISTANCE (FEET)	DIR (DEG)			
3400	0.50	197.47		3399.39	-33.00	33.00 S	1.29 W	33.02	182.24		0.65			
3600	0.75	194.30		3599.38	-35.10	35.10 S	1.88 W	35.15	183.06		0.13			
3800	1.00	166.12		3799.36	-38.06	38.06 S	1.78 W	38.10	182.68		0.25			
4000	0.50	166.95		3999.34	-40.61	40.61 S	1.17 W	40.62	181.64		0.25			
4200	1.25	151.77		4199.31	-43.38	43.38 S	0.06 E	43.38	179.92		0.39			
4400	0.50	198.66		4399.29	-46.13	46.13 S	0.82 E	46.14	178.99		0.49			
4600	1.50	221.44		4599.26	-48.92	48.92 S	1.20 W	48.93	181.40		0.53			
4800	2.00	193.32		4799.17	-54.28	54.28 S	3.73 W	54.40	183.93		0.49			
5000	1.50	305.26		4999.12	-56.16	56.16 S	6.67 W	56.56	186.78		1.46			
5200	2.50	321.19		5198.99	-51.25	51.25 S	11.55 W	52.54	192.70		0.57			
5400	1.00	233.17		5398.92	-48.90	48.90 S	15.68 W	51.35	197.78		1.33			
5600	0.50	209.12		5598.90	-50.71	50.71 S	17.50 W	53.64	199.04		0.29			
5800	1.00	235.07		5798.88	-52.47	52.47 S	19.35 W	55.92	200.25		0.30			
6000	1.25	225.03		5998.84	-55.01	55.01 S	22.33 W	59.37	202.09		0.16			
6180	1.50	237.93		6178.79	-57.65	57.65 S	25.71 W	63.12	204.04		0.22			

Certified True and Correct as Represented by Field Notes

McCutchin Petroleum—Champion #1-H—Wise County, TX

MEAS DEPTH (FEET)	INCL (DEG)	HOLE DIR	TRUE VERTICAL DEPTH (FEET)	VERTICAL SECTION (FEET)	RECTANGULAR COORDINATES N/S (FEET)	E/W (FEET)	CLOSURE DISTANCE (FEET)	CLOSURE DIR (DEG)	DOGLEG 100/FT (DEG)
*****	*****	*****	*****	*****	*****	*****	*****	*****	*****

Certified True and Correct as Represented by Field Notes