

MONTGOMERY & ANDREWS, P.A.

325 PASEO DE PERALTA
POST OFFICE BOX 2307
SANTA FE, NEW MEXICO 87504-2307

(505) 982-3873

FAX: (505) 982-4289

May 13, 2008

TELECOPY COVER SHEET

TO: Ms. Florene Davidson
New Mexico Oil Conservation Division
1220 South St. Francis

TELECOPY NO: (505) 476-3462

TELEPHONE NO: (505) 476-3440

FROM: J. Scott Hall (505) 986-2646

TOTAL PAGES (including cover): 4

Case 14141

MESSAGE

Re: Approach Operating, LLC

Per your conversation with Scott Hall, please file the attached application with the NMOCD.

Thank you for your assistance with this matter.

CLIENT NAME: Approach LLC

CLIENT NUMBER: 13314-08-02

This fax is being sent from (505) 982-4289

THE INFORMATION CONTAINED IN THIS FACSIMILE TRANSMITTAL IS INTENDED FOR THE PERSONAL AND CONFIDENTIAL USE OF THE DESIGNATED RECIPIENT. THIS TRANSMITTAL MAY BE CONFIDENTIAL OR PRIVILEGED. IF YOU ARE NOT THE INTENDED RECIPIENT OR AN AGENT RESPONSIBLE FOR DELIVERY TO THE INTENDED RECIPIENT, BE AWARE THAT ANY REVIEW, DISCLOSURE, COPYING OR DISTRIBUTION OF THIS TRANSMITTAL IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMITTAL IN ERROR, PLEASE NOTIFY US BY TELEPHONE IMMEDIATELY SO WE CAN ARRANGE FOR RETRIEVAL AT NO COST TO YOU (COLLECT 505/982,3873). THANK YOU.



STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
APPROACH OPERATING, LLC FOR APPROVAL OF
SIX APPLICATIONS FOR PERMITS TO DRILL,
RIO ARRIBA COUNTY, NEW MEXICO

CASE NO. 14141

APPLICATION

APPROACH OPERATING, LLC by its undersigned attorneys, Montgomery and
Andrews, P.A., (J. Scott Hall) hereby applies for an order approving applications for
permits to drill ("APD's") for six wells in Rio Arriba County, New Mexico. In support,
Applicant states:

1. Applicant is the operator of the following wells, (the "Subject Wells"), in Rio
Arriba County, New Mexico:

Benjamin Trujillo Well No. 1
Unit L Section 22
T28N R4E NMPM

Avella Sultemeier Well No. 2
Unit P Section 20
T28N R4E NMPM

Rosemary Roller Well No. 1
Unit N Section 9
T28N R5E NMPM

Leo Valdez Well No. 1
Unit E Section 18
T28N R4E NMPM

Cloyd Hinkle Well No. 1
Unit K Section 18
T28N R4E NMPM

Anthony Garcia Well No. 1
Unit L Section 17
T28N R4E NMPM

2. Applicant proposes to drill each of the Subject Wells to a depth sufficient to test the Mancos formation.
3. The Oil Conservation Division has jurisdiction over the drilling and operation of oil and gas wells in this state, including the Subject Wells, pursuant to the New Mexico Oil and Gas Act, NMSA 1978 §§70-2-1, *et seq.*, and the regulations administered by the Division found at 19.15.1.1 NMAC, *et seq.* . The Division has accordingly directed Applicant to obtain approval of its APD's by way of examiner hearing.
4. Applicant owns or controls the leasehold operating rights in the lands described above and otherwise has the right to drill each of the Subject Wells. Under the terms of the lease, Applicant must drill eight wells before April 2, 2009. If it is prevented from drilling the wells, the lease is subject to automatic termination.
5. Applicant requests that the APD's for the Subject Wells be approved on a timely basis so that the termination of the lease may be avoided.

WHEREFORE Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on June 12, 2008 and that after notice and hearing as required by law, the Division enters its Order approving the relief requested herein and making such other and further provisions as the Division determines appropriate.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: J. Scott Hall

J. Scott Hall
Attorneys for Approach Operating, LLC
Post Office Box 2307
Santa Fe, New Mexico 87504-2307
(505) 982-3873
(505) 982-4289 (fax)

District I
1625 N French Dr, Hobbs NM 88240
District II
1301 W Grand Avenue, Artesia NM 88210
District III
1000 Rio Brazos Road Aztec NM 87410
District IV
1220 S St Francis Dr Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27 2004

Oil Conservation Division
1220 South St Francis Dr
Santa Fe, NM 87505

Submit to appropriate District Office

AMLNDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address APPROACH OIL RAITING LLC 6300 RIDGEMOUNTAIN AVE, SUITE 1107 F1 WORTH, TX 76116		OGRID Number 248743
		API Number 30-039
Property Code 37136	Property Name AVELLA SULTMEIER	Well No 2
Proposed Pool 1 WC28N41 20 MANCOS		Proposed Pool 2

Surface Location

UI or locno	Section	Township	Range	Lot/Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	20	28 N	4 E		1200	SOUTH	200	EAST	RIOARRIBA

Proposed Bottom Hole Location If Different From Surface

UI or locno	Section	Township	Range	Lot/Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

Work Type Code N	Well Type Code O	Cable/Rotary ROTIARY	Lease Type Code P	Ground Level Elevation 7773
Multiple N	Proposed Depth 6000	Formation PERMIAN	Contractor PATTERSON/UTI	Spud Date UPON APPROVAL
Depth in Groundwater >100'	Distance from nearest fresh water well >1000'		Distance from nearest surface water 30'	
Pit Liner Synthetic Closed Loop System <input checked="" type="checkbox"/>	12 mil thick Clay <input type="checkbox"/>	Pit Volume 4,000 bbls	Drilling Method Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>	

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated LOC
12-1/4"	9-5/8"	32.3	350'	210	SURFACE
8-3/4"	4-1/2"	10.5	6,000'	1,500	SURFACE

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

3,000# BOP system

RCVD APR 23 '08
OIL CONS. DIV.
DIST. 3

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines a general permit , or an (attached) alternative OGD-approved plan .

Signature: *Brian Wood*
Printed name: BRIAN WOOD
Title: CONSULTANT
E-mail Address: brian@permitswest.com
Date: 4-21-08

Phone: (505) 466-8120

OIL CONSERVATION DIVISION

Approved by

Title

Approval Date

Expiration Date

Conditions of Approval Attached

Closed Loop System

LAND GRANT

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Artec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-		2 Pool Code 97685		3 Pool Name WC28N4E20; MANCOS	
4 Property Code 37136		5 Property Name Avella Sultemeier			6 Well Number #2
7 OGRID No 248343		8 Operator Name Approach Operating LLC			9 Elevation 7773.90'

10 Surface Location

DL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
P	**20	**28N	**04E		1200'	SOUTH	200'	EAST	Rio Arriba

11 Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division

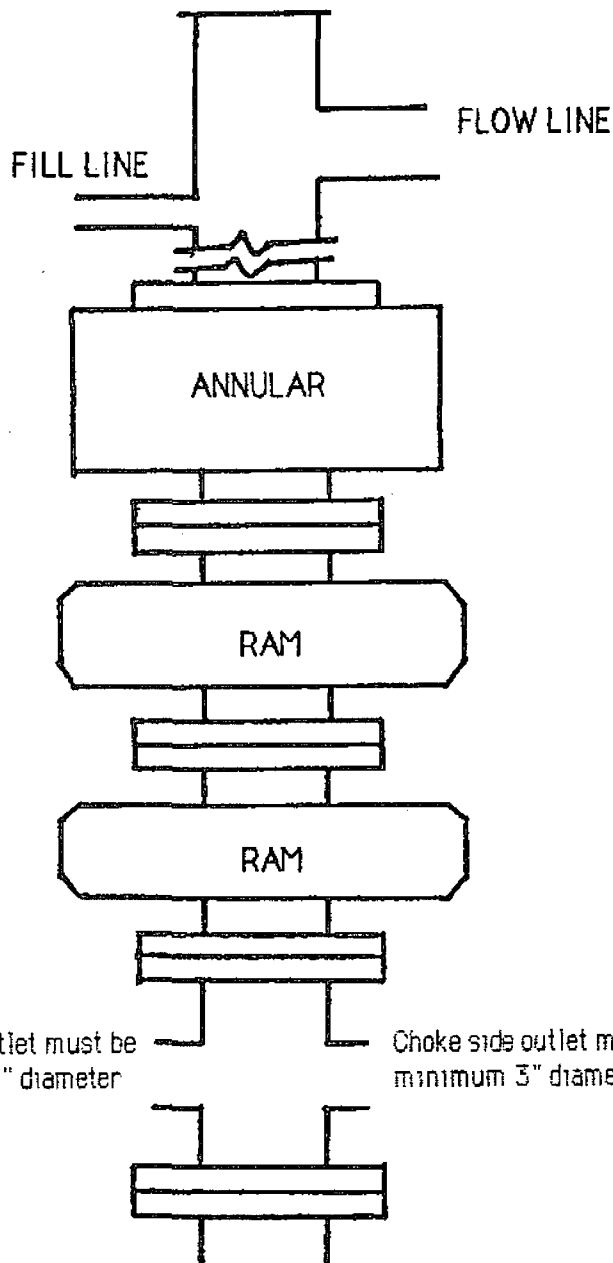
****Projection within the Tierra Amarilla Land Grant**

	<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>[Signature]</i> Date: 4-21-08 Printed Name: BRIAN WOOD</p>
	<p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Signature: <i>[Signature]</i> Date: 4/17/08 Certificate Number: _____</p>

New Mexico State Plane Coordinate System - Central Zone

X - 418 972 83
Y - 2,054,092 86

Latitude - **36°38'41.8"N**
Longitude - **106°31'34.3"W**



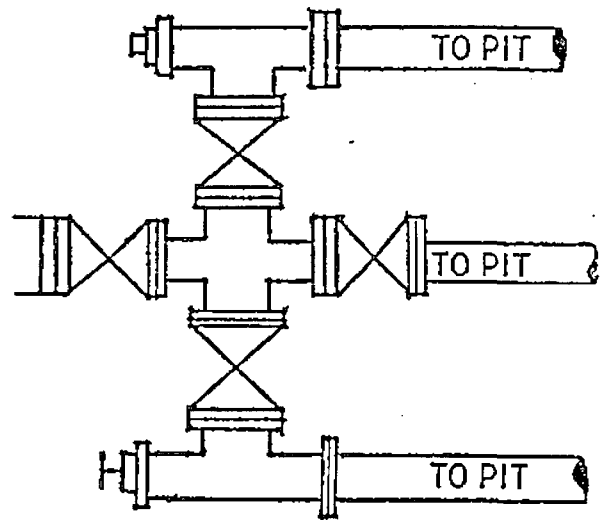
TYPICAL BOP STACK
& CHOKE MANIFOLD

There will be at least 2 chokes and 2 choke line valves (3" minimum) The choke line will be 3" in diameter There will be a pressure gauge on the choke manifold

Kill side outlet must be minimum 2" diameter

Choke side outlet must be minimum 3" diameter

Kill line will be minimum 2" diameter and have 2 valves, one of which shall be a minimum 2" check valve



Upper kelly cock will have handle available
Safety valve and subs will fit all drill string connections in use
All BOPE connections subjected to well pressure will be flanged, welded, or clamped

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State of New Mexico
Energy Minerals and Natural Resources

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May 27 2004

Oil Conservation Division
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Santa Fe, NM 87505

Submit to appropriate District Office

AMI NDFD RI PORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,
PLUGBACK, OR ADD A ZONE**

Operator Name and Address APPROACH RANGING, LLC 6300 RIDGELLA PLACE, SUITE 1107 11 WORTH, TX 76116		OGRD Number 248343
		API Number 30-039
Property Code 27135	Property Name BENJAMIN TRUJILLO	Well No 1
Proposed Pool 1 WC28N4E22 MANCOS		Proposed Pool 2

Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	22	28 N	4 F		2000	SOUTH	600	WEST	RIOARRIBA

Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

Well Type Code N	Well Type Code O	Cable/Rotary ROTARY	Lease Type Code P	Ground Elevation 7857
Multiple N	Proposed Depth 6000'	Formation PRLC AMBRIAN	Contractor PATTERSONUTI	Spud Date UPON APPROVAL
Depth to Groundwater 10'		Distance from nearest fresh water well >1000'		Distance from nearest surface water 10'
Liner Synthetic <input checked="" type="checkbox"/> 12 mil thick Clay <input type="checkbox"/>		Pit Volume 4,000 bbls		Drilling Method Fresh Water <input checked="" type="checkbox"/> Bone <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>
Closed-Loop System <input checked="" type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	9-5/8"	32.3	350'	210	SURFACE
8-3/4"	4-1/2"	10.5	6,000'	1,500	SURFACE

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blow out prevention program, if any. Use additional sheets if necessary.
3,000# BOP system

RCUD APR 23 '08
OIL CONS. DIV.

DIST. 3

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/>	OIL CONSERVATION DIVISION	
Signature <i>Brian Wood</i>	Approved by	
Printed name: BRIAN WOOD	Title	
Title: CONSULTANT	Approval Date	Expiration Date
E-mail Address: brian@permitswest.com		
Date: 4-21-08	Phone: (505) 466-8120	Conditions of Approval Attached <input type="checkbox"/> Closed Loop Sys - No below grade pits or tanks

District I
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St Francis Dr
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
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Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-		2 Pool Code 97686		3 Pool Name WC28N4E22; MANCOS	
4 Property Code 37135		5 Property Name Benjamin Trujillo			6 Well Number #1
7 OGRID No 248343		8 Operator Name Approach Operating, LLC			9 Elevation 7857.32'

10 Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	**22	**28N	**04E		2000'	SOUTH	600'	WEST	Rio Arriba

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

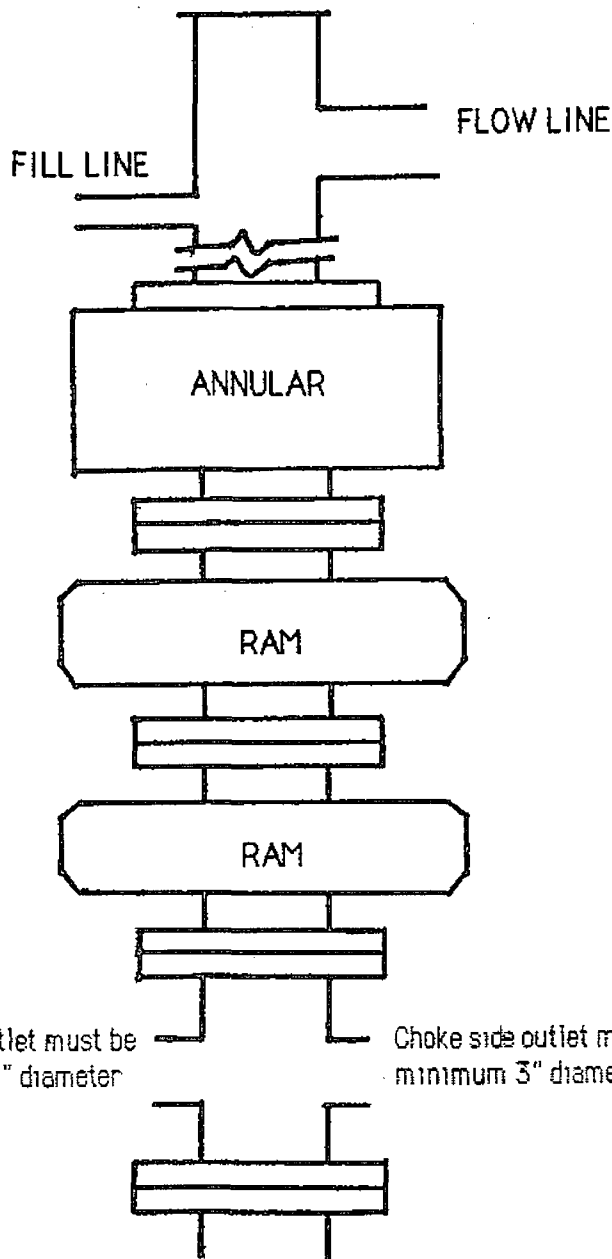
** Projection within the Tierra Amarilla Land Grant

	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unless mineral interest to the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore ordered by the division.</p> <p>Signature: <i>Brian Wood</i> Date: 4-21-08</p> <p>Printed Name: BRIAN WOOD</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same are true and correct to the best of my belief.</p> <p>Signature: <i>Gilberto Archuleta</i> Date: 4/21/08 Gilberto Archuleta, NM PSL 3976</p> <p>Certificate Number</p>

New Mexico State Plane Coordinate System - Central Zone

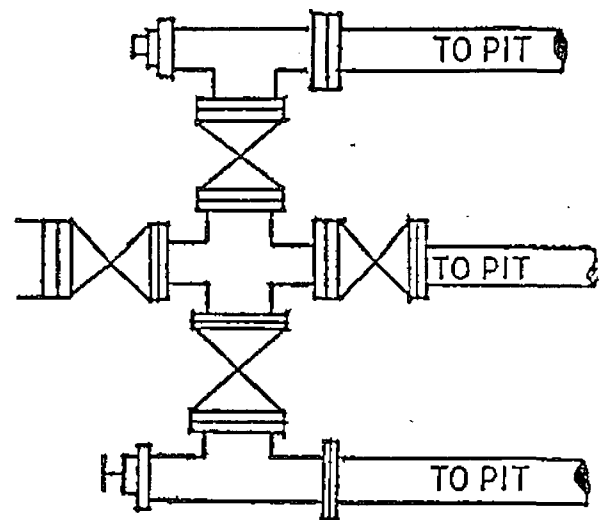
X - 424,999.43
Y - 2,054,909.52

Latitude - 36°39'50.1"N
Longitude - 106°30'20.1"W



TYPICAL BOP STACK
& CHOKE MANIFOLD

There will be at least 2 chokes and 2 choke line valves (3" minimum) The choke line will be 3" in diameter. There will be a pressure gauge on the choke manifold



Kill line will be minimum 2" diameter and have 2 valves, one of which shall be a minimum 2" check valve

Upper kelly cock will have handle available
Safety valve and subs will fit all drill string connections in use
All BOPE connections subjected to well pressure will be flanged, welded, or clamped

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State of New Mexico
Energy Minerals and Natural Resources

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Santa Fe, NM 87505

Submit to appropriate District Office

AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,
PLUGBACK, OR ADD A ZONE**

Operator Name and Address APPROACH OF RAILING, LLC 6300 RIDGELEA PLACE, SUITE 1107 IT WORTH, TX 76116		OGRID Number 248343
		API Number 30-039
Property Code 37131	Property Name ROSEMARY ROLLER	Well No 1
Proposed Pool 1 WC28N51 09 MANCOS		Proposed Pool 2

Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from line	North/South line	Feet from line	East/West line	County
N	9	28 N	5 F		300	SOUTH	1800	WEST	RIOARRIBA

Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from line	North/South line	Feet from line	East/West line	County

Additional Well Information

Work Type Code N	Well Type Code O	Cable/Rotary ROTARY	Lease Type Code P	Ground Level Elevation 9 016
Multiple N	Proposed Depth 6 000	Formation PREC AMBRIAN	Contractor PATTERSON/JH	Spud Date UPON APPROVAL
Depth to Groundwater >10'	Distance from nearest fresh water well >1,000'		Distance from nearest surface water >50' (>36' of snow when measured (d & 11))	
Pit Liner Synthetic <input type="checkbox"/> 2 mils thick Clay <input type="checkbox"/> Closed-Loop System <input checked="" type="checkbox"/>	Pit Volume 4,000 bbls	Drilling Method Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>		

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated FOC
12-1/4"	9-5/8"	32.3	350'	210	SURFACE
8-3/4"	4-1/2"	10.5	6,000'	1,500	SURFACE

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

3,000# BOP system

RCVD APR 23 '08
OIL CONS. DIV.
DIST. 3

<p>I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/>, a general permit <input type="checkbox"/>, or an (attached) alternative OGD-approved plan <input type="checkbox"/>.</p> <p>Signature: <i>Brian Wood</i></p> <p>Printed name: BRIAN WOOD</p> <p>Title: CONSULTANT</p> <p>E-mail Address: brianw@permitswest.com</p> <p>Date: 4-21-08</p>	OIL CONSERVATION DIVISION	
	Approved by	
	Title	
	Approval Date	Expiration Date
	Conditions of Approval Attached <input type="checkbox"/> <i>Closed loop system no below grade pits or tanks</i>	

District I
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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
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Form C-102
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Submit to Appropriate District Office
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-		² Pool Code .97682		³ Pool Name WC28N5E09; MANCOS oil	
⁴ Property Code 37131		⁵ Property Name Rosemary Roller			⁶ Well Number #1
⁷ OGRID No. 248343		⁸ Operator Name Approach Operating, LLC			⁹ Elevation 9016.18'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	**09	**28N	**05E		300'	South	1800'	West	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

** Projection within the Tierra Amarilla Land Grant

USC&GS Penasco - 581°00'53"W 42,549.50'

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this Organization either owns a working interest or subsisted mineral interests in the land including the proposed bottom hole location or has a right to drill the well at the location pursuant to a contract with an owner of such a mineral working interest, or to a voluntary pooling agreement or a compulsory pooling order hereto prescribed by the division.

Brian Wood 4-21-08
Signature Date

BRIAN WOOD
Printed Name

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

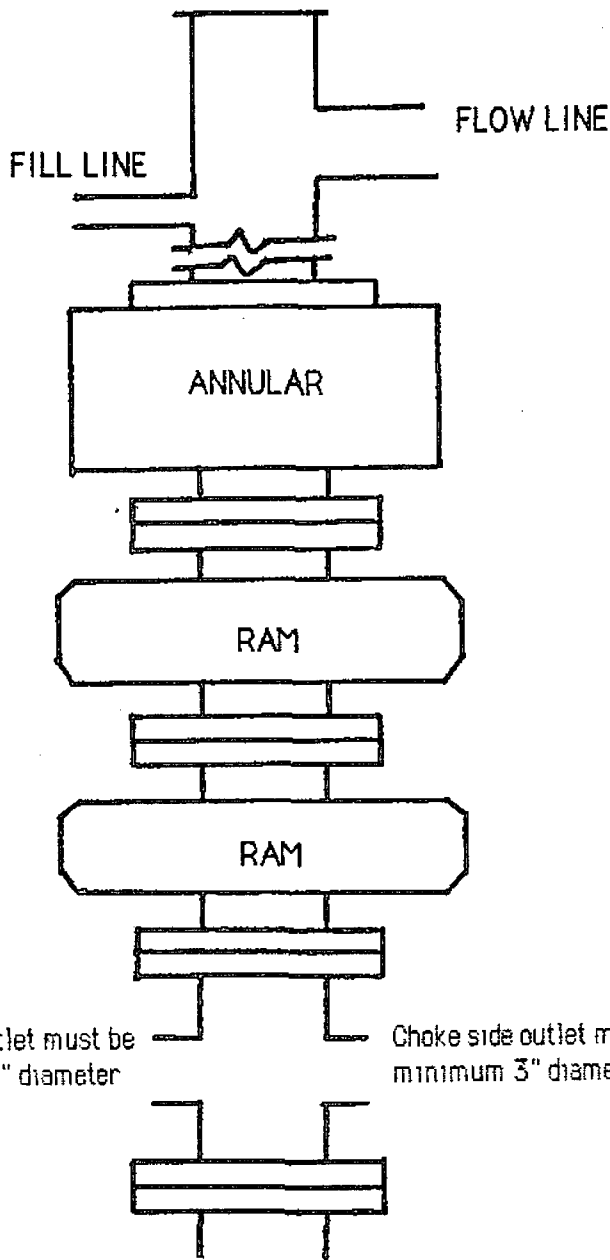
Gilberto Archuleta 4/17/08
Gilberto Archuleta, N.M.P.S. 13996
SURVEYOR

Certificate Number

New Mexico State Plane Coordinate System - Central Zone

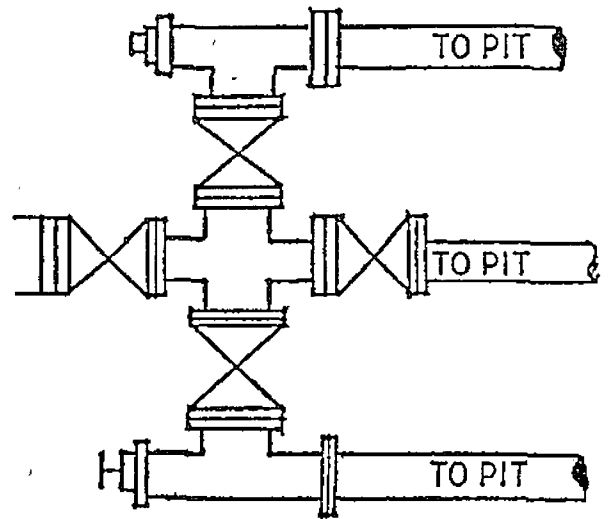
x - 452,632 03
y - 2,063,784 90

Latitude - 36°40'18.4"N
Longitude - 106°24'41.5"W



TYPICAL BOP STACK
& CHOKE MANIFOLD

There will be at least 2 chokes and 2 choke line valves (3" minimum) The choke line will be 3" in diameter There will be a pressure gauge on the choke manifold



Kill line will be minimum 2" diameter and have 2 valves, one of which shall be a minimum 2" check valve

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Submit to appropriate District Office

AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,
PLUGBACK, OR ADD A ZONE**

Operator Name and Address APPROACH OPERATING, LLC 6300 RIDGE LFA PLACE SUITE 1107 FI WORTH TX 76116		OGRID Number 248343
		API Number 30-039
Property Code 37132	Property Name ANTHONY GARCIA	Well No 1
Proposed Pool 1 WC28N4E17 MANCOS		Proposed Pool 2

Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Last/West line	County
L	17	28 N	4 E		1600	SOUTH	1100	WLS1	RIOARRIBA

Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Last/West line	County
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Additional Well Information

Work Type Code N	Well Type Code O	Cable/Rotary ROTARY	Lease Type Code P	Ground Level Elevation 7751
Multiple N	Proposed Depth 6000	Formation PRECAMBRIAN	Contractor PATTERSON-DEI	Spud Date UPON APPROVAL
Depth to Groundwater >30'		Distance from nearest fresh water well >1000'		Distance from nearest surface water >100'
Pit Liner Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/>		Pit Volume 4,000 bbls		Drilling Method Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>
Closed-Loop System <input type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	9-5/8"	32.3	350'	210	SURFACE
8-3/4"	4-1/2"	10.5	6,000'	1,500	SURFACE

Describe the proposed program. If this application is to DRILL IN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

3,000# BOP system

RCVD APR 23 '08

OIL CONS. DIV.

DIST. 3

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan

Signature

Brian Wood

Printed name BRIAN WOOD

Title CONSULTANT

E-mail Address brian@permitswest.com

Date 4-21-08

Phone (505) 466-8120

OIL CONSERVATION DIVISION

Approved by

Title

Approval Date

Expiration Date

Conditions of Approval Attached

District I
1615 N. French Dr., Hobbs, NM 88240
District II
1351 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1210 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fcc Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-		2 Pool Code 97683		3 Pool Name WC28N4E17; MANCOS	
4 Property Code 37132		5 Property Name Anthony Garcia			6 Well Number #1
7 OGRID No. 248343		8 Operator Name Approach Operating, LLC			9 Elevation 7751.23'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	**17	**28N	**04E		1600'	South	1100'	West	Rio Arriba

11 Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

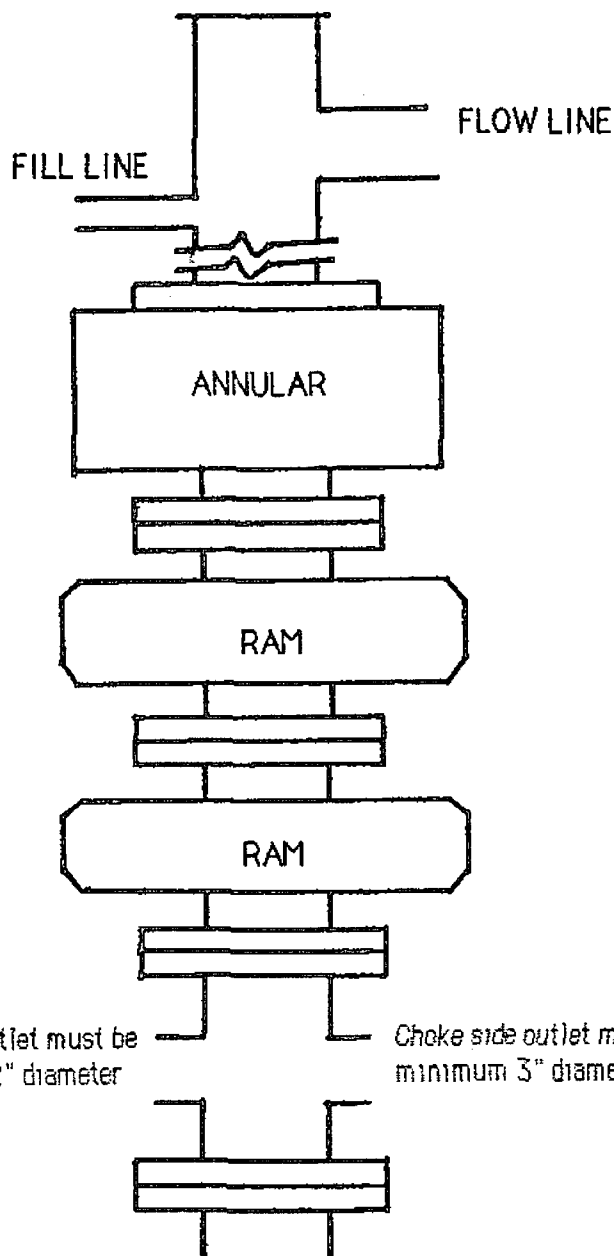
**** Projection within the Tierra Amarilla Grant**

	<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that I or someone I employ owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location or plans to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.</p> <p><i>Brian Wood</i> 4-21-08 Signature Date</p> <p>BRIAN WOOD Printed Name</p>
	<p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of a legal survey made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p><i>Gilberto Archuleta</i> 4-21-08 Gilberto Archuleta, NMS-17996 Date</p> <p>Certificate Number</p>

New Mexico State Plane Coordinate System - Central Zone

X - 418,017.41
Y - 2,059,756.08

Latitude - 36°39'37.8"N
Longitude - 106°31'46.3"W



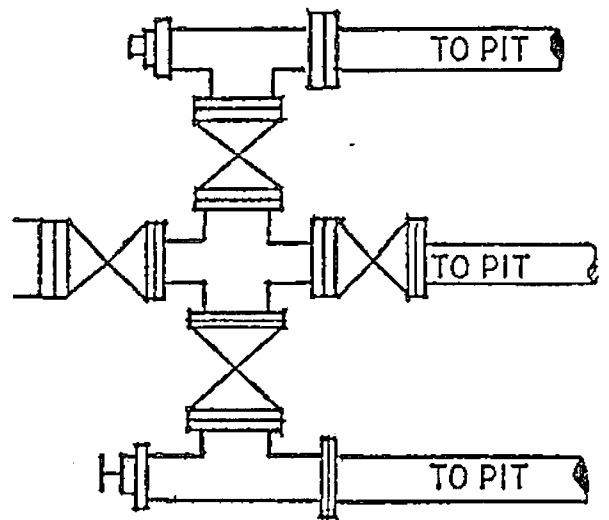
TYPICAL BOP STACK
& CHOKE MANIFOLD

There will be at least 2 chokes and 2 choke line valves (3" minimum) The choke line will be 3" in diameter There will be a pressure gauge on the choke manifold

Kill side outlet must be minimum 2" diameter

Choke side outlet must be minimum 3" diameter

Kill line will be minimum 2" diameter and have 2 valves, one of which shall be a minimum 2" check valve



Upper kelly cock will have handle available
Safety valve and subs will fit all drill string connections in use
All BOPE connections subjected to well pressure will be flanged, welded, or clamped

District I

1625 N French Dr, Hobbs, NM 88240

District II

1301 W Grand Avenue Artesia NM 88210

District III

3000 Rio Brazos Road Aztec, NM 87410

District IV

1220 S St Francis Dr, Santa Fe NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St Francis Dr
Santa Fe, NM 87505

Submit to appropriate District Office

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,
PLUGBACK, OR ADD A ZONE

Operator Name and Address APPROACH OIL RATING LLC 6300 RIDGELEA PLACE, SUITE 1107 PI WORTH, TX 76116		OGRID Number 248343
Property Code 37133		API Number 30-039
Property Name LLOVALDLZ		Well No 1
Proposed Pool 1 WC28N4F18 MANCOS		Proposed Pool 2

Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from line	North/South line	Feet from line	Last/West line	County
L	18	28 N	4 E		2700	SOUTH	1100	WLS1	RIOARRIBA

Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from line	North/South line	Feet from line	Last/West line	County
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Additional Well Information

Work Type Code N	Well Type Code O	Cable/Rotary ROTARY	Lease Type Code P	Ground Level Elevation 7647
Multiple N	Proposed Depth 6000	Formation PRECAMBRIAN	Contractor PATTERSON/JLI	Spud Date UPON APPROVAL
Depth to Groundwater >100'	Distance from nearest fresh water well >700'		Distance from nearest surface water 100'	
Pit Liner Synthetic <input checked="" type="checkbox"/> 12 mil thick Clay <input type="checkbox"/>	Pit Volume 4,000 bbls	Drilling Method Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diss. KOI-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>		
Closed-Loop System <input type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated FOC
12-1/4"	9-5/8"	32.3	350'	210	SURFACE
8-3/4"	4-1/2"	10.5	6,000'	1,500	SURFACE

Describe the proposed program. If this application is to DELPIN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program if any. Use additional sheets if necessary.

3,000# BOP system

RCVD APR 23 '08
OIL CONS. DIV.
DIST. 3

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines a general permit , or an (attached) alternative OGD-approved plan .
Signature *Brian Wood*

Printed name BRIAN WOOD

Title CONSULTANT

E-mail Address brian@permiswest.com

Date 4-21-08

Phone (505) 466-8120

OIL CONSERVATION DIVISION

Approved by

Title

Approval Date

Expiration Date

Conditions of Approval Attached

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesa, NM 88210
District III
1090 Rio Brazos Rd., Aatez, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-		Pool Code 97684	Pool Name WC28N4E18; MANCOS
Property Code 37133	Property Name Leo Valdez		Well Number #1
OGRID No. 248343	Operator Name Approach Operating, LLC		Elevation 7647.25'

Surface Location									
UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
E	**18	**28N	**04E		2700'	SOUTH	1100'	WEST	Rio Arriba

Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division

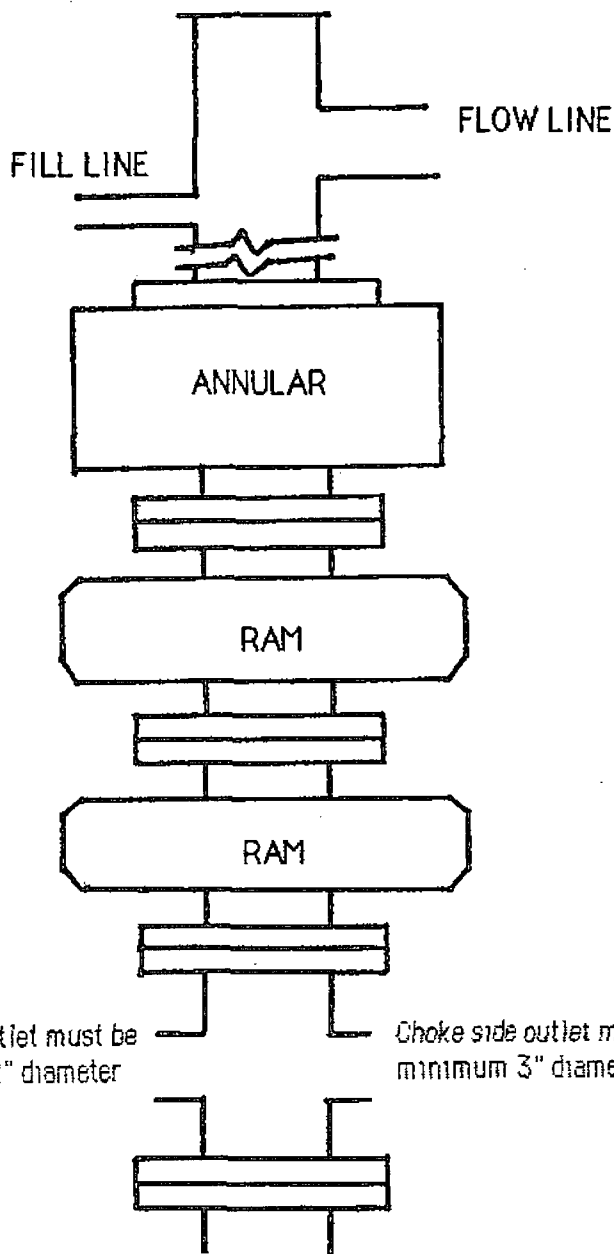
** Projection within the Tierra Amarilla Land Grant

	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well in this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Brian Wood</i> 4-21-08 Signature Date</p> <p>BRIAN WOOD Printed Name</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my belief.</p> <p><i>Gilberto Archuleta</i> 4/21/08 Gilberto Archuleta Date</p> <p>_____ Certificate Number</p>

New Mexico State Plane Coordinate System - Central Zone

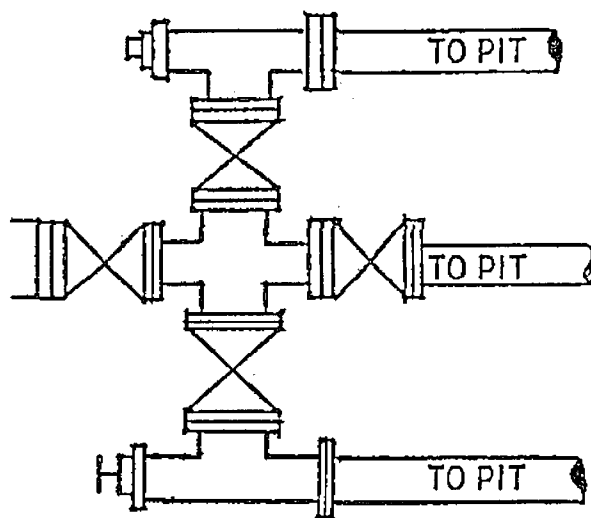
X - 409,634.97
Y - 2,060,806.72'

Latitude - 36°39'47.90"N
Longitude - 106°33'29.18"W



TYPICAL BOP STACK & CHOKE MANIFOLD

There will be at least 2 chokes and 2 choke line valves (3" minimum) The choke line will be 3" in diameter There will be a pressure gauge on the choke manifold



Kill line will be minimum 2" diameter and have 2 valves, one of which shall be a minimum 2" check valve

Upper Kelly cock will have handle available
 Safety valve and subs will fit all drill string connections in use
 All BOPE connections subjected to well pressure will be flanged, welded, or clamped

District I
1625 N French Dr, Hobbs NM 88240
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1220 S St Francis Dr Santa Fe NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27 2004

Oil Conservation Division
1220 South St Francis Dr
Santa Fe, NM 87505

Submit to appropriate District Office

AMI NDFD REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,
PLUGBACK, OR ADD A ZONE**

Operator Name and Address APPROACH OILRATING LLC 6300 RIDGELEA PLACE SUITE 1107 F1 WORTH TX 76116		OGRID Number 248343
		API Number 30-039
Property Code 37134	Property Name CLOYD HINKLE	Well No 1
Proposed Pool 1 WC28N4L18 MANCOS		Proposed Pool 2

Surface Location

UI or lot no	Section	Township	Range	Lot Idn	Feet from the 1600	North/South line	Feet from the 2300	East/West line	County
K	18	28 N	4 L			SOUTH		WEST	RIOARRIBA

Proposed Bottom Hole Location If Different From Surface

UI or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

Work Type Code N	Well Type Code O	Cable Rotary ROTARY	Lease Type Code P	Ground Level Elevation 7760
Multiple N	Proposed Depth 6000	Formation PRECAMBRIAN	Contractor PATTERSON-UII	Spud Date UPON APPROVAL
Depth to Groundwater >100	Distance from nearest fresh water well >500		Distance from nearest surface water 50	
Pit Liner Synthetic <input checked="" type="checkbox"/> 12 mil thick Clay <input type="checkbox"/> Closed-Loop System <input type="checkbox"/>	Pit Volume 4,000 bbls	Drilling Method Fresh Water <input checked="" type="checkbox"/> Bone <input type="checkbox"/> Diesel/Oil based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>		

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
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8-3/4"	4-1/2"	10.5	6,000'	1,500	SURFACE

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3,000# BOP system

RCVD APR 23 '08

OIL CONS. DIV.

DIST. 3

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Signature: *Brian Wood*

Printed name BRIAN WOOD
Title CONSULTANT
E-mail Address brian@permitswest.com
Date 4-21-08 Phone (505) 466-8120

OIL CONSERVATION DIVISION

Approved by

Title

Approval Date

Expiration Date

Conditions of Approval Attached

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-		Pool Code 97684	Pool Name WC28N4E18; MANCOS
Property Code 37134	Property Name Cloyd Hinkle		Well Number #1
OGUID No. 248343	Approach Operating, LLC		Elevation 7760.96'

Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	**18	**28N	**04E		1600'	SOUTH	2300'	WEST	Rio Arriba

Bottom Hole Location if Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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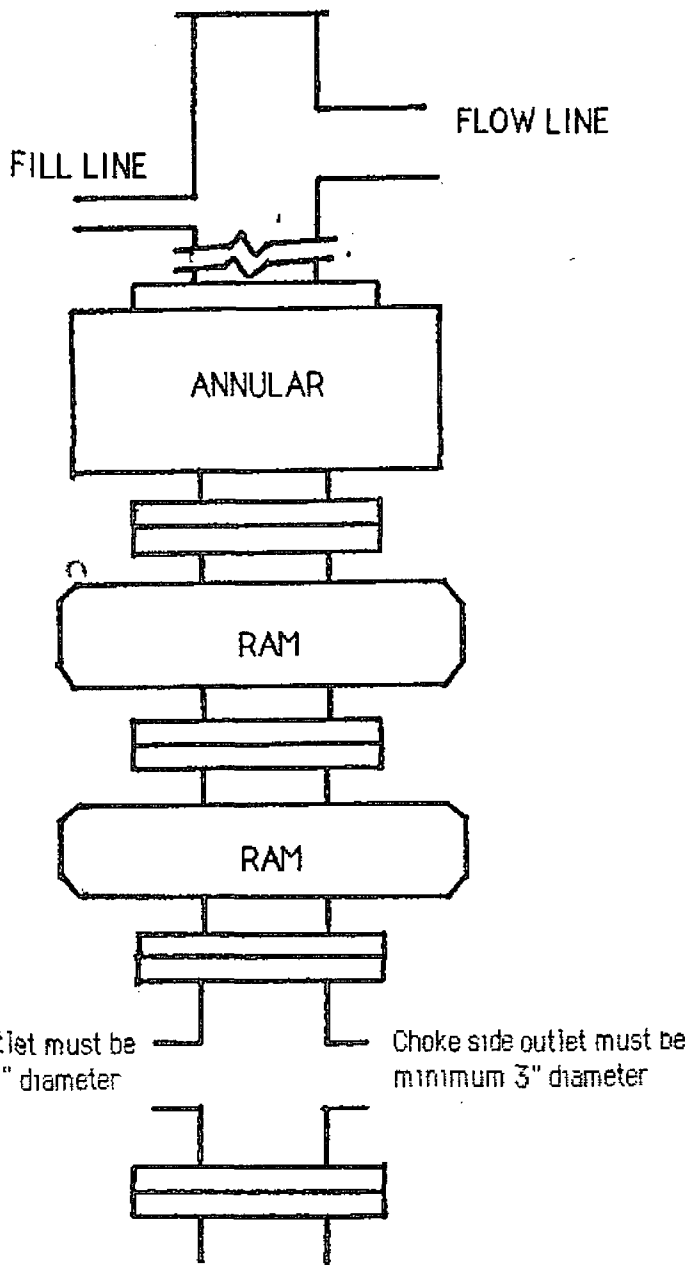
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	<p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p><i>[Signature]</i> 4/19/08 Gilberto Archuleta, NMPS 13976 Date Certificate Number</p>

New Mexico State Plane Coordinate System - Central Zone

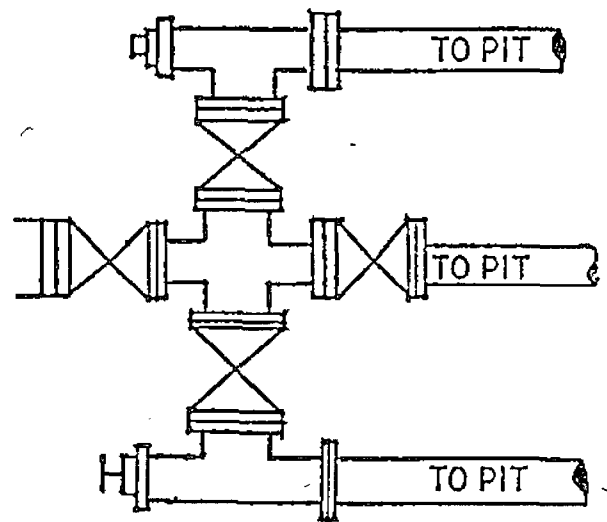
X - 410,948.41
Y - 2,059,848.44

Latitude - 36°39'38.46"N
Longitude - 106°33'13.02"W



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& CHOKE MANIFOLD

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