

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

☐ AMENDED REPORT

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

¹ Operator Name and Address APPROACH OPERATING, LLC 6300 RIDGLEA PLACE, SUITE 1107 FORT WORTH, TX 76116		² OGRID Number 248343
³ Property Code 36761	⁴ Property Name SENA	⁵ API Number 30-039-30394
⁹ Proposed Pool 1 WC 28N HE 16-1 MANCOS		⁶ Well No. 2
¹⁰ Proposed Pool 2		

⁷ Surface Location

UL or lot no P	Section 16	Township 28N	Range 4E	Lot Idn 994	Feet from the 1200	North/South line SOUTH	Feet from the 680	East/West line EAST	County RIO ARriba
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⁸ 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
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Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary ROTARY	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 7823 36' LSD
¹⁶ Multiple	¹⁷ Proposed Depth 2000	¹⁸ Formation GRANEROS	¹⁹ Contractor BEARCAT DRLG CO	²⁰ Spud Date ASAP
Depth to Groundwater >100 FEET		Distance from nearest fresh water well >1000 FEET		Distance from nearest surface water >1000 FEET
Pit: Liner: Synthetic <input checked="" type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: 4000 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>				

²¹ 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"	36.0#	350'	210	SURFACE
8 3/4"	4 1/2"	10.5#	1700'	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 blowout prevention program, if any Use additional sheets if necessary.

Propose to drill into the Graneros Sh. exploring for oil and/or gas in all formations encountered

RCVD SEP 27 '07
OIL CONS. DIV.
DIST. 2

- (1) Shafco 11" Double Ram 3000# LWS
- (1) Grant 11" rotating head, 3000#
- (1) 5000# choke manifold
- (1) Koomey 3 station 3000# w/air/hydraulic pump
- (4) 10 gallon bottles

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 ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Signature:

Printed name: Glenn W. Reed, P. E.

Title: Senior Vice-President of Operations

E-mail Address: gwreed@approachresources.com

Date: September 24, 2007

Phone: (817) 989-9000

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Conditions of Approval Attached ☐

Deputy Oil & Gas Inspector,

OCT 18 2007 District #3

Expiration Date:

12 mil liner required

OCT 18 2007

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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
State Lease - 4 Copies
Fee Lease - 3 Copies
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-30394	Pool Code 97645	Pool Name WC 28N4E16 Mancos Oil
Property Code 36761	Property Name -Manuel Sena Property	Well Number SENA #2
GRID No. 248343	Operator Name Approach Operating LLC	Elevation 7823.36'

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
	**16	**28N	**04E		1200	SOUTH	680	EAST	RIO ARriba


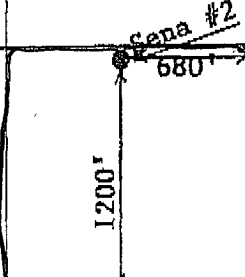
11 Bottom Hole Location If Different From Surface

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

Dedicated Acres 40 SE 1/4	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**

16 				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. Signature <u>James S. Scott</u> Date <u>10-10-2007</u> Printed Name <u>JAMES S. SCOTT</u>	
SENA NO. 2 Latitude - 36°39'25.02004N Longitude - 106°30'42.51613W				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. Date of Survey 19 September 2007 Signature and Seal of Professional Surveyor 	
New Mexico State Plane Coordinate System - Central Zone x - 423,574.972 y - 2,059,398.124					

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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 30-039-30394	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name Manuel Sena Property	⁶ Well Number SENA #2
⁷ OGRID No.	⁸ Operator Name Approach Operating LLC	Elevation 7823.36'

¹⁰ Surface Location

UL or lot no.	Section **16	Township **28N	Range **04E	Lot Idn	Feet from the 1200	North/South line SOUTH	Feet from the 680	East/West line EAST	County RIO ARriba
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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
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¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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RCVD OCT 11 '07
OIL CONS. DIV.
DIST. 3

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**

¹⁶				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 Signature: <i>James S. Scott</i> Date: 10-10-2007 Printed Name: JAMES S. SCOTT
SENA NO. 2				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 Date of Survey 19 September 2007 Signature and Seal of Professional Surveyor Gilberto Archuleta No. 13976 Certificate Number
Latitude - Longitude -	36°39'25.02004N 106°30'42.51613W			
New Mexico State Plane Coordinate System - Central Zone	x - 423,574.972 y - 2,059,398.124			

Submit 3 Copies To Appropriate District
Office
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State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30 - 039 - 30394
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SENA
8. Well Number 2
9. OGRID Number 248343
10. Pool name or Wildcat WILDCAT
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7823.36' LSD
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>
Pit type <u>reserve</u> Depth to Groundwater <u>>100'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water <u><1000'</u>
Pit Liner Thickness: <u>6 mil</u> Below-Grade Tank: Volume <u> </u> bbls; Construction Material <u> </u>

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator APPROACH OPERATING, LLC	
3. Address of Operator 6300 RIDGLEA PLACE, SUITE 1107, FORT WORTH, TX 76116	
4. Well Location Unit Letter <u> </u> : <u>1200</u> feet from the <u>SOUTH</u> line and <u>680</u> feet from the <u>EAST</u> line Section <u>16</u> Township <u>28N</u> Range <u>4E</u> NMPM County <u>RIO ARRIBA</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7823.36' LSD	
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type <u>reserve</u> Depth to Groundwater <u>>100'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water <u><1000'</u>	
Pit Liner Thickness: <u>6 mil</u> Below-Grade Tank: Volume <u> </u> bbls; Construction Material <u> </u>	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: RESERVE PIT APPLICATION <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Propose to build blooie line/reserve pit in process of drilling exploration well for oil or gas.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been ~~will be~~ constructed or closed according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Glenn W. Reed TITLE Senior Vice President of Operations DATE September 24, 2007

Type or print name Glenn W. Reed, P. E. E-mail address: gwreed@approachresources.com Telephone No. (817) 989-9000

For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE OCT 18 2007

Conditions of Approval (if any):