

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 Saber Resources LLC, 400 W. Illinois, Suite 950 Midland, Tx 79701		² OGRID Number 236378 ✓
		³ API Number 30-025-22737 32458 ✓
³ Property Code 301974 ✓	⁵ Property Name Arco A Con	⁶ Well No. 2 ✓
⁹ Proposed Pool 1 Wildcat Pennsylvanian ✓		¹⁰ Proposed Pool 2 Wildcat Pennsylvanian

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	18	17S	39e		660	North	1980	West	Lea ✓

⁸ Proposed Bottom Hole Location If Different From Surface

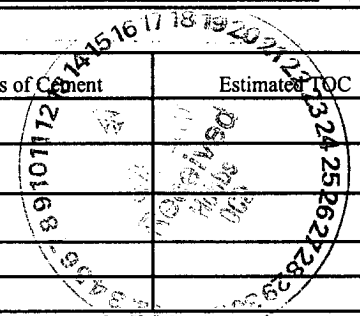
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary NA	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3664'GR
¹⁶ Multiple N	¹⁷ Proposed Depth NA	¹⁸ Formation NA	¹⁹ Contractor Nabors Pulling Unit	²⁰ Spud Date 6/25/06
Depth to Groundwater 80'		Distance from nearest fresh water well 700'		Distance from nearest surface water NA
Pit: Liner: Synthetic <input type="checkbox"/> _____mils thick Clay <input type="checkbox"/>		Pit Volume: _____ bbls		Drilling Method:
Closed-Loop System <input checked="" type="checkbox"/>		Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC



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.

Well currently has casing set @ 12,128' and produces from the Devonian formation (12,128'-12,171'). Purpose to set CIBP in 5-1/2" casing @ 12,100' and cap with 2 sx cmt. Will perforate Penn section from 10,290' - 10,670' and test. If Penn section is not productive, propose to set CFBP @ 10,200' and cap with 2 sx cmt. Propose then to perforate wolfcamp interval from 9342'-9820' and test. BOP equipment will be 3000 psi blind rams & pipe rams.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Plugback

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	
	Approved by:	
Printed name: Douglas Keathley	Title: PETROLEUM ENGINEER	
Title: VP of Operations	Approval Date: JUL 05 2006	Expiration Date:
E-mail Address: doug@saberresources.com	Conditions of Approval Attached <input type="checkbox"/>	
Date: 4/17/06	Phone: 432-685-0169	

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, 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 30-025-32458	² Pool Code ✓	³ Pool Name Wildcat Pennsylvanian
⁴ Property Code 301974	⁵ Property Name Arco A	
⁷ OGRID No. 236378	⁸ Operator Name Saber Resources LLC	⁶ Well Number 2
⁹ Elevation 3664'		

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
C	18	17S	39E		660	North	1980	West	Lea

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 N	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.

<p>16</p>	<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 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 6/7/06</p> <p>Douglas Keathley 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 is true and correct to the best of my belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>	
	<p>Certificate Number</p>	