State of New Mexico

Form C-101 Permit 111595

Energy, Minerals and Natural Resources

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

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

| APA | r Name and Address ACHE CORP | OGRID Number 873 | | |
|---------------------------|---------------------------------|-------------------------------|--|--|
| 63.07.78.7 | 20 S. YALE A , OK 74136 | 3. API Number 30-025-39722 | | |
| 4. Property Code 26466 | 5. Property Name EUGENE WOOD | 6. Wett No. 013 | | |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| В | 22 | 22S | 37E | В | 330 | N | 2310 | E | LEA |

8. Pool Information

| EUNICE:SAN ANDRES, SOUTHWEST | 24180 |
|----------------------------------|-------|
| LANGLIE MATTIX;7 RVRS-Q-GRAYBURG | 37240 |

Additional Well Information

| 9. Work Type New Well | 10. Wett Type OIL | 11. Cable/Rotary | 12. Lesse Type Private | 13. Ground Level Elevation 3368 |
|---------------------------------------|----------------------------|--------------------------------|---|------------------------------------|
| 14. Multiple Y | 15. Proposed Depth 4400 | 16. Formation San Andres | 17. Contractor | 18. Spud Date |
| Depth to Ground | water | Distance from nearest fresh wa | iter well | Distance to nearest surface water |
| t: Liner: Synthetic Closed Loop Syste | mils thick | Clay Pit Volume: bit | bls Drilling Method: Fresh Water X Brine I | Diesel/Oil-based Gas/Air |

19. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 12.25 | 8.625 | 24 | 1160 | 650 | 0 |
| Prod | 7.875 | 5.5 | 17 | 4400 | 650 | 0 |

Casing/Cement Program: Additional Comments

| Casing/Cement Program. Additional Comments | | | | | | |
|--|--|--|--|--|--|--|
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| | | | | | | |
| | | | | | | |
| | Casing/Cement Program. Additional Comments | | | | | |

Proposed Blowout Prevention Program

| Туре | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| DoubleRam | 2000 | 2000 | |

| of my knowledge and belief. | tion given above is true and complete to the best ling pit will be constructed according to | OIL CONSERVATION DIVISION | | | | |
|-----------------------------|--|---------------------------------|---------------------------|--|--|--|
| | neral permit , or an (attached) alternative | Approved By: Paul Kautz | | | | |
| Printed Name: Electronic | ally filed by Lana Williams | Title: Geologist | | | | |
| Title: Engineering Tech | | Approved Date: 4/1/2010 | Expiration Date: 4/1/2012 | | | |
| Email Address: lana.willi | ams@apachecorp.com | | 9.0 % | | | |
| Date: 3/30/2010 | Phone: 918-491-4900 | Conditions of Approval Attached | | | | |

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-102 Permit 111595

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ••• | LUL DO CHILLOH LE LIC. | COLUMN TERRET | J., | | |
|------------------|------------------------|------------------------------|--------------|--|--|
| 1. API Number | 2. Pool Code | | 3. Pool Name | | |
| 30-025-39722 | 24180 | EUNICE;SAN ANDRES, SOUTHWEST | | | |
| 4. Property Code | 5. Proper | 6. Well No. | | | |
| 26466 | EUGENE | EUGENE WOOD | | | |
| 7. OGRID No. | 8. Operat | or Name | 9. Elevation | | |
| 873 | APACHI | 3368 | | | |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| В | 22 | 228 | 37E | В | 330 | N | 2310 | E | LEA |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot | Idn | Feet From | N/S L | ine | Feet From | E/W Line | County |
|---|-------------|----------|-----------------|-----|-----|-------------------|-------|-----|-----------|---------------|--------|
| V. 100 100 100 100 100 100 100 100 100 10 | cated Acres | 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

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(s) 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.

E-Signed By: Lana Williams Title: Engineering Tech Date: 3/30/2010

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.

Surveyed By: Ronald Eidson Date of Survey: 1/21/2010 Certificate Number: 3239 District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

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| 1. API Number | 2. Pool Code | | 3. Pool Name |
|------------------|--------------------------------|------------|------------------------|
| 30-025-39722 | 37240 | LANGLIE MA | TTIX;7 RVRS-Q-GRAYBURG |
| 4. Property Code | 5. Prop | erty Name | 6. Well No. |
| 26466 | EUGENE WOOD | | 013 |
| 7. OGRID No. | Operator Name 9. Elevation | | |
| 873 | APACHE CORP 3368 | | |

10. Surface Location

| ò | UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
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Surveyed By: Ronald Eidson Date of Survey: 1/21/2010 Certificate Number: 3239

Permit Comments

Operator: APACHE CORP , 873 Well: EUGENE WOOD #013

API: 30-025-39722

| Created By | Comment | Comment Date |
|---------------|--|-----------------|
| dcatanach | Legacy Reserves operates the Langlie Mattix Penrose Sand Unit. The unitized interval within this unit includes the Seven Rivers and Queen formations within the Langlie Mattix SR-Q-Gb Pool. Apache owns the rights to the Grayburg formation. The Eugene Wood No. 13 will be completed only in the Grayburg formation of the Langlie Mattix SR-Q-Gb Pool. Along with the C-144 for this well, I have attached a waiver from Legacy Reserves consenting to allow Apache to drill the Eugene Wood No. 13. Consequently, there will be two operators in Unit B in the Langlie Mattix SR-Q-Gb Pool. | 3/30/2010 |
| DMULL | OCD Hobbs has received form C0144 "Pit Registration". OCD Permit Number P1-01904. | 4/1/2010 |

Permit Conditions of Approval

Operator: APACHE CORP , 873 Well: EUGENE WOOD #013

API: 30-025-39722

| OCD Reviewer | Condition |
|-----------------|---|
| DMULL | Will require approval from OCD Santa Fe office on form C-107-A "Downhole Commingling" before multiple zones can be produced by commingling in the well bore accorance with the procedure set forth in Rule 19.15.12.11. |