

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 Proposed Pool 1 WC 28N4E10		⁶ Proposed Pool 2
⁷ Surface Location		⁸ Well No. 1

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	10	28N	4E	G94	350	SOUTH	495	WEST	RIO ARRIBA

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

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary ROTARY	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 7955 78' LSD
¹⁶ Multiple N	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 >200 FEET - Nutrias Ditch No. 1
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 6 mls thick Clay <input type="checkbox"/> Pit Volume: 4000 bbls Closed-Loop System <input type="checkbox"/>				
Drilling Method: Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>				

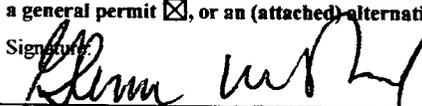
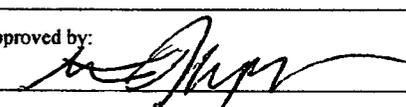
²¹ Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	9 5/8"	32.3#	350'	210	SURFACE
8 3/4"	4 1/2"	10.5#	1700'	500	SURFACE

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.

(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

RCVD SEP 27 '07
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 type="checkbox"/> , a general permit <input checked="" type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
Signature: 	Approved by: 	
Printed name: Glenn W. Reed, P. E.	Title:	
Title: Senior Vice-President of Operations	Approval Date:	Expiration Date:
E-mail Address: gwreed@approachresources.com		
Date: September 24, 2007	Phone (817) 989-9000	Conditions of Approval Attached <input type="checkbox"/>

OCT 03 2007-aw

8

RAC 3

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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

¹ API Number 30039.30386		² Pool Code 97646		³ Pool Name W 28N 4E 10; Marcos oil	
⁴ Property Code 36761		⁵ Property Name Sena			⁶ Well Number Sena #1
⁷ OGRID No. 248343		⁸ Operator Name Approach Operating LLC			⁹ Elevation 7955.78'

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
M	**10	**28N	**04E	G 94	350	SOUTH	495	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**

¹⁶ 	SENA NO. 1 Latitude - 36°40'08.61650N Longitude - 106°30'27.29027W New Mexico State Plane Coordinate System - Central Zone x - 424,827.891 y - 2,063,805.360	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. <i>James S. Scott</i> 9-26-2007 Signature Date Printed Name JAMES S. SCOTT
	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 <i>Gilberto Archuleta</i> Gilberto Archuleta No. 13976 Certificate Number	



Submit 3 Copies To Appropriate District Office
 District I
 1625 N French Dr., Hobbs, NM 88240
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 1301 W. Grand Ave., Artesia, NM 88210
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 1000 Rio Brazos Rd., Aztec, NM 87410
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 1220 S. St. Francis Dr., Santa Fe, NM 87505

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 - 30386
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 1
9. OGRID Number 248343
10. Pool name or Wildcat WILDCAT

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 Gas Well Other

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 _____ : 350 feet from the SOUTH line and 495 feet from the WEST line
 Section 10 Township 28N Range 4E NMPM County RIO ARRIBA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
7955.78' LSD

Pit or Below-grade Tank Application or Closure

Pit type reserve Depth to Groundwater >100' Distance from nearest fresh water well >1000' Distance from nearest surface water >200'
 Pit Liner Thickness: 6 mil Below-Grade Tank: Volume _____ bbls: Construction Material _____

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 Septemeber 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 03 2007

Conditions of Approval (if any):

District I
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District IV
220 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 OPERATING, LLC 6300 RIDGLEA PLACE, SUITE 1107 FORT WORTH, TX 76116		OGRID Number 248343
Property Code 36761		API Number 30-039-30394
Property Name SENA		Well No. 2
Proposed Pool 1 WLC 2RN H&E 16-j 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
P	16	28N	4E	994	1200	SOUTH	680	EAST	RIO ARRIBA

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

Work Type Code N	Well Type Code O	Cable/Rotary ROTARY	Lease Type Code P	Ground Level Elevation 7823.36' LSD
Multiple	Proposed Depth 2000	Formation GRANEROS	Contractor BEARCAT DRLG CO	Spud Date ASAP
Depth to Groundwater >100 FEET		Distance from nearest fresh water well >1000 FEET		Distance from nearest surface water >100 FEET Nutrias Ditch No. 1 <1000'
Pit Liner: Synthetic <input checked="" type="checkbox"/> mls 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"/>		

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

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.

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

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

- (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

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: *Glenn W. Reed*

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: *[Signature]*

Title: Deputy Oil & Gas Inspector.

Approval Date: OCT 18 2007 District #3 Expiration Date:

Conditions of Approval Attached

12 mil liner required
OCT 18 2007

RAC 4

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
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		⁹ 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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.	RCVD OCT 11 '07 OIL CONS. DIV.
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DIST. 3

No allowance 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>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</i>	
				<i>James A. Scott</i> Signature Date Printed Name JAMES S. SCOTT	
SENA NO. 2				¹⁸ SURVEYOR CERTIFICATION <i>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</i>	
Latitude -		36°39'25.02004N		Date of Survey 19 September 2007	
Longitude -		106°30'42.51613W		Signature and Seal of Professional Surveyor	
New Mexico State Plane Coordinate System - Central Zone				<i>Gilberto Archuleta</i> Signature and Seal of Professional Surveyor GILBERTO ARCHULETA REGISTERED PROFESSIONAL SURVEYOR NEW MEXICO No. 13976 Certificate Number	
x -		423,574.972			
y -		2,059,398.124			

OIL CONSERVATION DIVISION
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Santa Fe, NM 87505

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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

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 Gas Well Other

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 _____ : _____ feet from the _____ line and _____ feet from the _____ line
Section 16 Township 28N Range 4E NMPM County RIO ARRIBA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
7823.36' LSD

Pit or Below-grade Tank Application or Closure

Pit type reserve Depth to Groundwater >100' Distance from nearest fresh water well >1000' Distance from nearest surface water <1000'

Pit Liner Thickness: 6 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

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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"/>	
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Propose to build blooic linc/reserve pit in process of drilling exploration well for oil or gas.

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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

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

Conditions of Approval (if any):