District 1 1625 N. French Dr , Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rto Brazos Road, Aztec, NM 87410 District IV 1220 S St. Francis Dr., Santa Fe, NM 87505

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State of New Mexico Energy Minerals and Natural Resources

**Oil Conservation Division** 

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-101 May 27, 2004

Submit to appropriate District Office

AMENDED REPORT

| Date: Septer   | nber 24, 20                                      | 007            |   | Phone (8                           | 31 <b>7) 989-90</b> 0         | 0   |                          |                  | Conditions of Ap                          | proval Att | ached 🗌             | , 10 et 04 te -                    |
|--|--|----------------|---|------------------------------------|-------------------------------|---|--------------------------|------------------|---|------------|---------------------|------------------------------------|
| E-mail Addr  | ess gwree  | d@appro        | achreso                                       | urces.com                          |                               |   | <u> </u>                 |                  |   |            | 1                   |                                    |
| Title: Senior  |  |                |   | ns                                 |                               |   |                          |                  | Approval Date:                            |            | Expirati            | on Date:                           |
| Printed name   | Glenn W  | . Reed, I      | P. E.   |                                    |                               |   |                          |                  | Title:                                    | ~ ji       | 7                   |                                    |
| a general permit , or an (attached) alternative OCD-approved plan .<br>Signature |  |                |   |                                    |                               |   |                          | ſ                | Approved by:                              | £1         | un                  |                                    |
| belief. I furt   | her certify                                      | that the       | e drillin                                     | g pit will be c                    | onstructed a                  | lete to the best of my<br>according to NMOCI<br>ed plan . | knowledge<br>) guidelind | and<br>es 🔲,     | OIL CO                                    | NSER       | VATIO               | N DIVISION                         |
| 23 1 1   |  |                |   |                                    | л<br>                         |   |                          |                  |   |            |                     |                                    |
| (1) Koomey<br>(4) 10 gallon  |  | )00# w/a       | ır/hydraı                                     | ulic pump                          |                               |   |                          |                  |   |            |                     |                                    |
| (1) Shafco 11<br>(1) Grant 11'<br>(1) 5000# ch                                   | ' rotating h<br>oke manifo                       | ead, 300<br>Id | 0#  |                                    |                               |   |                          |                  |   |            |                     | 1.3                                |
| Propose to dr  | all into the                                     | Granero        | s Sh. exp                                     | oloring for oil :                  |                               | all formations encoun                                     | tered.                   |                  |   | 1          |                     | EP 27 '07<br>NS. DIV.              |
| <sup>22</sup> Describe the Describe the  | he propose<br>blowout pr                         | d progra       | m. If thi<br>program                          | is application i<br>n, if any. Use | s to DEEPEN<br>additional sho | or PLUG BACK, giveets if necessary.                       | e the data               | on the pre       | sent productive zo                        | one and p  | roposed new         | y productive zone.                 |
|  |  |                |   |                                    |                               |   |                          |                  |   |            |                     |                                    |
| 83   | 4  |                |   | 4 1/2"                             |                               | 10.5#   | ·····                    | ·                | 1700'                                     |            | 500                 | SURFACE                            |
| }  |  |                | ×   |                                    |                               | 32.3#   |                          |                  | 350'                                      |            | 210                 | SURFACE                            |
| Hole<br>12   |  |                |   | sing Size                          |                               | Casing weight   | foot                     |                  | Setting Depth                             |            | of Cement           | Estimated TOC                      |
|  | ~ .  | <u> </u>       |   |                                    | Propose                       | d Casing and C  |                          | Progra           |   |            |                     | T                                  |
| Close  | d-Loop Sy  | stem           | )   |                                    |                               |   |                          |                  | Brine Diesel                              | Oil-based  | i 🗌 Gas/A           | <u>sir 🛛</u>                       |
| <u>Pit.</u> Liner  | Synthetic  | 🛛 6 n          | uls thick                                     | Clay 🔲 1                           | L >1000 FF<br>Pit Volume:_4   |   | Drilling M               | lethod:          | 1 >200 FFF1                               | · Nutrat:  | s Ditch No.         |                                    |
| Depth to Grou  |  | 100 FEE        | π   | 2000                               |                               | rom nearest fresh wate                                    |                          |                  | Distance fr                               | om neares  | t surface wa        |                                    |
|  | Iuluple<br>N                                     |                |   | <sup>17</sup> Proposed Dep<br>2000 | th                            | <sup>18</sup> Formation<br>GRANER                         | 75                       | BE               | <sup>19</sup> Contractor<br>ARCAT DRLG CC | ,          | ASAP                | 20 Spud Date                       |
|  | Type Code<br>N                                   |                |   | <sup>12</sup> Well Type Co<br>O    | de                            | <sup>13</sup> Cable/Rotar<br>ROTARY                       | /                        |                  | <sup>14</sup> Lease Type Code<br>P        |            | 7                   | nd Level Elevation<br>1955 78' LSD |
| 11   |  |                |   | 12                                 |                               | itional Well In   |                          |                  | <b>A</b>                                  |            | K a                 |                                    |
| UL or lot no   | Section  | Town           | ship  | Range                              | Lot Idn                       | Feet from the   | North/S                  | outh line        | Feet from the                             | East       | West line           | County                             |
|  |  |                | <b>-</b>                                      | <sup>8</sup> Propo                 |                               | n Hole Location I   | f Differer               | nt From          | Surface                                   |            |                     |                                    |
| UL or lot no<br>M  | Section<br>10                                    | Towns<br>28N   | •   | Range<br>4E                        | Lot idn<br>G94                | Feet from the   | North/S                  | outh line<br>UTH | Feet from the<br>495                      |            | West line<br>WEST   | County<br>RIO ARRIBA               |
| L  |  | 1-1-5          | <u>, , , , , , , , , , , , , , , , , , , </u> |                                    |                               | <sup>7</sup> Surface Loca                                 | ation                    |                  |   |            |                     |                                    |
| 1 -  |  | NHE            | Pro   | posed Pool 1                       | s                             |   |                          |                  | <sup>10</sup> Pro                         | posed Po   | ol 2                |                                    |
| 36761  |  |                |   |                                    |                               |   |                          |                  |   |            | ا<br>               | 1                                  |
| ' Prone  | FORT WORTH, TX 76116 Property Code Property Name |                |   |                                    |                               |   |                          |                  |   | 30         | Number<br>58<br>Wel | Q<br>I No.                         |
| Į  |  | 6300 R         | ROACH OPEI                                    | CE, SUITE 1                        |                               | 248343  | _ 'AI                    | Number           |   |            |                     |                                    |
|  |  |                |   |                                    |                               |   |                          |                  | 248343                                    |            |                     |                                    |

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

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

AMENDED REPORT

North Contraction of the second secon

|   |                         | W  | ELL LC                             | CATIO     | N AND ACRI               | EAGE DEDICA      | ATION PLAT    | Г              |             |  |
|---|-------------------------|--|------------------------------------|-----------|--------------------------|------------------|---------------|----------------|-------------|--|
| <sup>1</sup> API Number <sup>2</sup> Pool Code <sup>3</sup> P |                         |  |                                    |           |                          |                  |               | e,             |             |  |
| 300   | 39.3                    | 18E02  | SUBBLO 97646 WC28N4E10; marcos oil |           |                          |                  |               |                |             |  |
| <sup>4</sup> Property   |                         |  |                                    |           | <sup>3</sup> Property Na | IDIC             |               | Seó            | Well Number |  |
| 3676  |                         |  |                                    | •         | Sena 2007                | ~~+_             |               | Servia         | #1          |  |
| OGRID   | No.                     |  |                                    |           | <sup>8</sup> Operator N  | 200C             |               |                | Elevation   |  |
| 24834   | 13                      |  | App                                | roach     | Operating                |                  |               | 79             | 955.781     |  |
|   |                         |  |                                    |           | <sup>10</sup> Surface I  | ocation          | - ,           |                |             |  |
| 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                              | G94       | 350                      | SOUTH            | 495           | WEST           | RIO ARRIBA  |  |
|   |                         | ·····  | - IT BO                            | ottom Ho  | ole Location If          | Different From   | 1 Surface     | ······         | ·           |  |
| UL or lot no.   | Section                 | Township Range Lot Idn Feet from the North/South line Feet from the East/West line C |                                    |           |                          |                  | County        |                |             |  |
| 12 Dedicated Acre   | s <sup>13</sup> Joint o | r Infill 14 C  | Consolidation                      | Code 15 O | rder No.                 |                  |               |                |             |  |
| 40  |                         |  |                                    |           |                          |                  |               |                |             |  |

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.

|          |            | e Tierra Amarilla Land Grant              |   |
|----------|------------|---|---|
|          | 16         |   | <sup>17</sup> OPERATOR CERTIFICATION<br>1 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 worlang interest or indeased mineral interest in the land including  |
| /        |            |   | the proposed bottom hale 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.   |
|          |            |   |   |
|          |            |   | Supremo 1 Sant 9-26-2007<br>Supremo Date  |
|          |            | SENA NO. 1                                |   |
|          |            |   | Printed Name<br>JAMES S. SLOTI  |
|          |            | Latitude - 36°40'08.61650N                | JAMES S. SCOIL  |
|          |            |   |   |
|          |            | Longitude - 106°30'27.29027W              |   |
|          |            | Non North and the Direction of the second |   |
|          |            | New Mexico State Plane Coordinate         | <sup>18</sup> SURVEYOR CERTIFICATION  |
|          |            | System - Central Zone                     | I hereby certify that the well location shown on this plat  |
|          |            |   |   |
|          |            | x - 424,827.891                           | was plotted from field notes of actual surveys made by  |
|          |            | y - 2,063,805.360                         | 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   |
| 1        |            |   | ACHULETA  |
|          | 495'       |   | Gilberto Archilleta   |
|          | Sena #1    |   | Gilberto Archileta  |
| <b>v</b> | 1 <u> </u> |   | Certificate Number  |

| الله المراجع الم |  |   |
|--|--|---|
| Submit 3 Copies To Appropriate District  | State of New Mexico  | Form C-103  |
| Office<br>District I   | nergy, Minerals and Natural Resources                              | May 27, 2004  |
| 1625 N French Dr., Hobbs, NM 88240   |  | WELL API NO.  |
| District II<br>1301 W. Grand Ave., Artesia, NM 88210   | OIL CONSERVATION DIVISION  | 30-039-30386  |
| District III   | 1220 South St. Francis Dr.   | 5. Indicate Type of Lease<br>STATE FEE                  |
| 1000 Rio Brazos Rd., Aztec, NM 87410   | Santa Fe, NM 87505   | 6. State Oil & Gas Lease No.                            |
| District IV<br>1220 S. St. Francis Dr., Santa Fe, NM   | Santa I C, IVIVI 87505   | 6. State Oil & Gas Lease No.                            |
| 87505  |  |   |
|  | ND REPORTS ON WELLS  | 7. Lease Name or Unit Agreement Name                    |
| (DO NOT USE THIS FORM FOR PROPOSALS TO<br>DIFFERENT RESERVOIR USE "APPLICATION   | D DRILL OR TO DEEPEN OR PLUG BACK TO A                             | SENA  |
| PROPOSALS.)  | FOR TERMIT (FORM C-101) FOR SOCH                                   | 8. Well Number  |
|  | ell 🗌 Other  | 1   |
| 2. Name of Operator  |  | 9. OGRID Number   |
| APPROACH OPERATING, LLC  |  | 248343  |
| 3. Address of Operator   |  | 10. Pool name or Wildcat                                |
| 6300 RIDGLEA PLACE, SUITE 110  | 7, FORT WORTH, TX 76116  | WILDCAT   |
| 4. Well Location   |  |   |
| Unit Letter: 350   | feet from theSOUTHline and   | 495 feet from the <u>WEST</u> line                      |
| Section 10   | Township 28N Range 4E  | NMPM County RIO ARRIBA                                  |
| 11. F  | Elevation (Show whether DR, RKB, RT, GR, etc.                      |   |
|  | 7955.78' LSD   |   |
| Pit or Below-grade Tank Application 🛛 or Closur  |  | 0055  |
| Pit type <u>reserve</u> Depth to Groundwater <u>&gt;</u>   | <u>100'</u> Distance from nearest fresh water well_ <u>&gt;100</u> | 0 Distance from nearest surface water 4000'             |
| Pit Liner Thickness: 6 mil E   | Below-Grade Tank: Volume bbls; (                                   | Construction Material                                   |
| 12. Check Appro  | priate Box to Indicate Nature of Notice,                           | , Report or Other Data                                  |
|  |  |   |
|  |  |   |
|  | G AND ABANDON A REMEDIAL WOR                                       | RK  |
|  | NGE PLANS COMMENCE DR  |   |
|  |  |   |
| OTHER: RESERVE PIT APPLICATION   | OTHER:   |   |
| 13. Describe proposed or completed of  | perations. (Clearly state all pertinent details, an                | nd give pertinent dates, including estimated date       |
|  | EE RULE 1103. For Multiple Completions: A                          | ttach wellbore diagram of proposed completion           |
| or recompletion.   |  |   |
|  |  |   |
| Propose to build blooie line/reserve pit in process of da  | filing evolution well for oil or gas                               |   |
|  | and exploration were to on or gas                                  |   |
|  |  |   |
|  |  |   |
|  |  |   |
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|  |  |   |
|  |  |   |
|  |  |   |
|  |  |   |
| I hereby certify that the information above  | is true and complete to the best of my knowled                     | ge and belief. I further certify that any pit or below- |
| grade tank has been/villbe constructed or closed   | according to NMOCD guidelines [], a general permit                 | or an (attached) alternative OCD-approved plan 🗍.       |
| SIGNATURE KUM W  | Lend TITLE Contraction De 11                                       |   |
| SIGNATORE / COUNTY VO  | IIILE Senior vice Presiden   | nt of Operations DATE Septemeber 24, 2007               |
| Type or print name Glenn W. Reed, P. E   | . E-mail address: <u>gwreed@approachresourc</u>                    | ces.com Telephone No. (817) 989-9000                    |
| For State Use Only   |  | • • • •   |
|  | y Deputy Oil 8   | Gas Inspector, oct o 2 2007                             |
| APPROVED BY:   | TITLE Dis  | trict #3 $DATE$ UCI 0 3 2007                            |
| Conditions of Approval (if any):   |  |   |
|  |  |   |

| strict I<br>525 N French Dr., Hobbs<br>istrict 11  | N French Dr., Hobbs, NM 88240 Energy Miner   |   |   |  |  | v Mexico<br>Natural Reso   | ources   |  | Form C-101<br>May 27, 200  |
|--|--|---|---|--|--|--|--|--|--|
| 01 W. Grand Avenue, A  | Avenue, Artesia, NM 88210  |   |   |  |  |  | c  | ubmit to enno  | priate District Office   |
| <u>istrict III</u><br>)00 Rio Brazos Road, Az  | Die Dregger Dood Artes NM 97410  |   |   |  | on Division  |  | domic to approj  | plate District Office  |  |
| strict IV  | -  |   |   | -  |  | Francis Dr.  |  |  | MENDED REPOR   |
| 20 S. St. Francis Dr., San   | nta Fe, NM   | 87505   |   | 8  | anta Fe, N   | M 8/303  |  |  |  |
| APPLICATIO   | <u>DN FOI</u>  | R PERMIT  | TO DI   | RILL, I  | RE-ENTE  | R, DEEPE   | N, PLUGBA  | CK, OR AD  | D A ZONE   |
|  | А  | Operator Name<br>PPROACH OPEI   | and Addres<br>RATING, L   | s<br>LC  |  |  | 248343   | <sup>2</sup> OGRID Numb  | er   |
|  | 6300   | RIDGLEA PLA<br>FORT WORTH   | CE, SUITE<br>I, TX 76116  | 5 1107   |  |  | 30-039- 3  | 3039   | -  |
| Property Code  |  |   |   | ' Pro  | perty Name<br>SENA   |  |  | The second second  | ell No.  |
| 36761  |  |   |   |  |  |  |  |  |  |
| iuc. ) <b>si</b>   |  | Proposed Pool 1   | 5   |  |  |  | <sup>10</sup> Prop   | osed Pool 2  |  |
|  |  | 1   |   | <sup>7</sup> Sur   | face Locat   | ion  | ·····  |  |  |
| Lorlotno Section   | Township   | Range   | Lot I   |  | Feet from the  | North/South lune   | Feet from the  | East/West line   | County   |
| P 16   | 28N  | 4E  | 99  | <u>+  </u>   | 1200   | SOUTH  | 680  | EAST   | RIO ARRIBA   |
|  |  | <sup>8</sup> Propo  | sed Botto   | om Hole  | Location If I  | Different From   | Surface  | •<br>•   |  |
| Loriot no Section  | Township   | Range   | Lot I   | idan   | Feet from the  | North/South line   | Feet from the  | East/West inne   | County   |
|  |  | I   | <br>Δ d   | Iditiona   | l Well Info  | rmation  |  | <u></u>  | .1   |
| 11 Work Type Code  |  | <sup>12</sup> Well Type Co  |   |  | <sup>13</sup> Cable/Rotary   |  | 14 Lease Type Code   | <sup>15</sup> Gr   | ound Level Elevation   |
| <u>N</u>   |  | 0   |   | L  | ROTARY   |  | Р  |  | 7823 36' LSD   |
| <sup>16</sup> Multiple <sup>17</sup> Proposed Depth  |  |   | )   | <sup>18</sup> Formation  |  |  |  | <sup>20</sup> Spud Date  |  |
|  | i  | 2000  | 1   | <u>است با از المان بي المالة بين بالمراجع عن المالي المان في المان في المان المان المان المان المان المان المان ا</u>  |  |  |  |  |  |
| Pepth to Groundwater >10   | 0 FEET   | 2000  | Distance  |  | RANERO<br>est fresh water v  | <u></u>  | Distance from  | M nearest surface v  | vater -/   |
| •  |  | · · · · · · · · · · · · · · · · · · ·   | >1000 F   | e from near  | est fresh water v  | vell   | Distance from  | m nearest surface v<br>Nutritas Ditch N  | vater 1000   |
| it Liner. Synthetic  | muls th  | · · · · · · · · · · · · · · · · · · ·   |   | e from near  | est fresh water v  | vell<br>Drilling <u>Method</u>   | Distance fro   | m nearest surface v<br>Nutertas Ditch M  | <u>1 &lt;1000</u>  |
| •<br>•   | muls th  | ick Clay 🗍 1  | >1000 F<br>Pit Volume:  | e from near<br>FFFT<br>:_4000_bbl  | est fresh water v<br>s I   | S<br>Vell<br>Drilling Method<br>Fresh Water  | Distance from  | m nearest surface v<br>Nutertas Ditch M  | <u>1 &lt;1000</u>  |
| <u>Ti</u> Liner, Synthetic<br>Closed-Loop Syste  | mals th  | ick Clay [] 1<br>21   | >1000 F<br>Pit Volume   | e from near<br>FFT<br>:_4000_bbl<br>sed Cas  | est fresh water v<br>s 1<br>ing and Ce   | vell<br>Drilling <u>Method</u>   | Distance from  | m nearest surface v<br>Nutrotas Ditch N<br>Dil-based 🗌 Gas   | /Air 🛛   |
| it Liner. Synthetic Closed-Loop Syste<br>Hole Size   | mails th<br>m  | ick Clay [] ]<br>21<br>sing Size  | >1000 F<br>Pit Volume<br>Propos                                       | e from near<br>FFT<br>: 4000_bbl<br>sed Cas<br>g weight/fo   | est fresh water v<br>s 1<br>ing and Ce   | S<br>Prilling <u>Method</u><br><u>Fresh Water</u><br>ement Progra<br>Setting Depth   | Distance fro   | m nearest surface v<br>Nutratas Ditch N<br><u>Dil-based Gas</u><br>ement   | Air X<br>Estimated TOC   |
| it Liner. Synthetic Closed-Loop Syste<br>Hole Size<br>12. 1/2"   | mils th  | ick Clay [] 1<br>21<br>sung Size<br>5/8"  | >1000 F<br>Pit Volume:<br>Propos                                      | e from near<br>EFFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36.0#   | est fresh water v<br>s 1<br>ing and Ce   | S     I       Vell     Image: Section of the section o  | Distance from<br>Distance from<br>Dissel/C<br>atm<br>Sacks of C<br>210 | m nearest surface v<br>Nutratas Ditch No<br>Dal-based Gas<br>ement   | Air A<br>Estimated TOC   |
| it Liner. Synthetic Closed-Loop Syste<br>Hole Size   | mils th  | ick Clay [] ]<br>21<br>sing Size  | >1000 F<br>Pit Volume:<br>Propos                                      | e from near<br>FFT<br>: 4000_bbl<br>sed Cas<br>g weight/fo   | est fresh water v<br>s 1<br>ing and Ce   | S<br>Prilling <u>Method</u><br><u>Fresh Water</u><br>ement Progra<br>Setting Depth   | Distance fro   | m nearest surface v<br>Nutratas Ditch No<br>Dal-based Gas<br>ement   | Air X<br>Estimated TOC   |
| it Liner. Synthetic Closed-Loop Syste<br>Hole Size<br>12. 1/2"   | mils th  | ick Clay [] 1<br>21<br>sung Size<br>5/8"  | >1000 F<br>Pit Volume:<br>Propos                                      | e from near<br>EFFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36.0#   | est fresh water v<br>s 1<br>ing and Ce   | S     I       Vell     Image: Section of the section o  | Distance from<br>Distance from<br>Dissel/C<br>atm<br>Sacks of C<br>210 | m nearest surface v<br>Nutratas Ditch No<br>Dal-based Gas<br>ement   | Air X<br>Estimated TOC   |
| it Liner. Synthetic Closed-Loop Syste<br>Hole Size<br>12. 1/2"<br>8. 3/2"  | Cas  | ick Clay [] ]<br>21<br>300g Stze<br>5/8"<br>1/2"  | Propos<br>Casing  | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10.5#  | est fresh water v<br>s 1<br>ing and Ce<br>xot  | Setting Depth<br>350'  | Distance fro   | m nearest surface v<br>Nutrotas Ditch N<br>21-based Gas<br>ement   | Air X<br>Estimated TOC<br>SURFACE  |
| Iter:       Synthetic I         Closed-Loop Syste         Hole Size         12.1/4"         8.3/4"         Describe the proposed   | Cas  | ick Clay [] ]<br>21<br>3ung Size<br>5/8"<br>1 1/2"  | Propos<br>Casing  | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10.5#<br>EN or PLU   | est fresh water v<br>s 1<br>ing and Ce<br>xot 2<br>G BACK, give  | Setting Depth<br>350'  | Distance fro   | m nearest surface v Nutratas Ditch N <u>Nutratas Ditch N </u> ement ement e and proposed m   | Air X<br>Estimated TOC<br>SURFACE<br>SURFACE   |
| iii Liner. Synthetic Closed-Loop Syste         Hole Size         12.1/2"         8.3/2"         Describe the proposed  | Cas  | ick Clay [] ]<br>21<br>3ung Size<br>5/8"<br>1 1/2"  | Propos<br>Casing  | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10.5#<br>EN or PLU   | est fresh water v<br>s 1<br>ing and Ce<br>xot 2<br>G BACK, give  | Setting Depth<br>350'  | Distance fro   | m nearest surface v Nutratas Ditch N <u>Nutratas Ditch N </u> ement ement e and proposed m   | Air X<br>Estimated TOC<br>SURFACE  |
| Iter. Synthetic Closed-Loop Syste         Hole Size         12.1/2"         8.3/2"         Describe the proposed         Describe the blowout previous   | Cas<br>Cas<br>9<br>4<br>program. If  | ick Clay [] ]<br>21<br>3 ang Size<br>5/8"<br>1/3"<br>This application is<br>pram, if any Use  | Propos<br>Casing<br>Casing<br>sto DEEP<br>additional                  | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10.5#<br>EN or PLU<br>sheets if ne   | est fresh water v<br>s 1<br>ing and Ce<br>xot 2<br>G BACK, give<br>xcessary.   | Setting Depth<br>350'<br>1700'<br>the data on the program  | Distance fro   | m nearest surface v Nutrotas Ditch N Dil-based  Gas ement e and proposed m RCVD S DIL C  | Air A<br>Estimated TOC<br>SURFACE<br>SURFACE<br>w productive zone<br>SEP 27 :07<br>ONS. DIV.                       |
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|  | Cas<br>Cas<br>Q<br>Q<br>program. If<br>rention prog<br>raneros Sh.<br>m 3000# LV<br>d, 3000#   | ick Clay [] ]<br>21<br>3000 Size<br>5/8"<br>1/2"<br>This application of<br>gram, if any Use<br>exploring for oil                          | Propos<br>Casing<br>Casing<br>sto DEEP<br>additional                  | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10.5#<br>EN or PLU<br>sheets if ne   | est fresh water v<br>s 1<br>ing and Ce<br>xot 2<br>G BACK, give<br>xcessary.   | Setting Depth<br>350'<br>1700'<br>the data on the program  | Distance fro   | m nearest surface v Nutrotas Ditch N Dil-based  Gas ement e and proposed m RCVD S DIL C  | Air A<br>Estimated TOC<br>SURFACE<br>SURFACE<br>w productive zone<br>SEP 27 '07<br>ONS. DIV.                       |
|  | Cas<br>Cas<br>Q<br>Q<br>program. If<br>rention prog<br>raneros Sh.<br>m 3000# LV<br>d, 3000#   | ick Clay $\square$ 1<br>21<br>300 Size<br>5/8"<br>1/2"<br>1 this application is<br>tram, if any Use<br>exploring for oil a<br>WS          | Propos<br>Casing<br>Casing<br>sto DEEP<br>additional                  | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10.5#<br>EN or PLU<br>sheets if ne   | est fresh water v<br>s 1<br>ing and Ce<br>xot 2<br>G BACK, give<br>xcessary.   | Setting Depth<br>350'<br>1700'<br>the data on the program  | Distance fro   | m nearest surface v Nutrotas Ditch N Dil-based  Gas ement e and proposed m RCVD S DIL C  | Air A<br>Estimated TOC<br>SURFACE<br>SURFACE<br>w productive zone<br>SEP 27 :07<br>ONS. DIV.                       |
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|  | Cas<br>Cas<br>Q<br>Q<br>program. If<br>rention prog<br>raneros Sh.<br>m 3000# LV<br>d, 3000#   | ick Clay $\square$ 1<br>21<br>300 Size<br>5/8"<br>1/2"<br>1 this application is<br>tram, if any Use<br>exploring for oil a<br>WS          | Propos<br>Casing<br>Casing<br>sto DEEP<br>additional                  | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10.5#<br>EN or PLU<br>sheets if ne   | est fresh water v<br>s 1<br>ing and Ce<br>xot 2<br>G BACK, give<br>xcessary.   | Setting Depth<br>350'<br>1700'<br>the data on the program  | Distance fro   | m nearest surface v Nutrotas Ditch N Dil-based  Gas ement e and proposed m RCVD S DIL C  | Air A<br>Estimated TOC<br>SURFACE<br>SURFACE<br>w productive zone<br>SEP 27 '07<br>ONS. DIV.                       |
|  | Cas<br>Cas<br>Q<br>Cas<br>Program. If<br>rention prog<br>raneros Sh.<br>m 3000# L <sup>1</sup><br>d, 3000#<br>D# w/arr/hyd   | ick Clay [] 1<br>21<br>3 ang Size<br>5/8"<br>1 1/2"<br>This application is<br>tram, if any Use<br>exploring for oil<br>WS<br>draulic pump | Propos<br>Casing<br>Casing<br>s to DEEP<br>additional<br>and/or gas   | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10 5#<br>EN or PLU<br>sheets if ne<br>in all forma   | est fresh water v<br>s 1<br>ing and Ce<br>sot 2<br>G BACK, give<br>scessary.<br>ations encounter   | Setting Depth<br>350'<br>1700'<br>the data on the program  | Distance fro   | m nearest surface v Nutrotas Ditch N Dil-based  Gas ement e and proposed m RCVD S DIL C  | Air X<br>Estimated TOC<br>SURFACE<br>SURFACE<br>w productive zone<br>SEP 27 '07<br>ONS. DIV.                       |
|  | Cas<br>Cas<br>Q<br>Cas<br>Program. If<br>rention prog<br>raneros Sh.<br>m 3000# L <sup>1</sup><br>d, 3000#<br>D# w/arr/hyd   | ick Clay [] 1<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21   | Propos<br>Casing<br>Casing<br>s to DEEP<br>additional<br>and/or gas   | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10 5#<br>EN or PLU<br>sheets if ne<br>in all forma   | est fresh water v<br>s 1<br>ing and Ce<br>sot 2<br>G BACK, give<br>scessary.<br>ations encounter   | Setting Method:<br>Fresh Water<br>Ernent Progra<br>Setting Depth<br>350°<br>1700°<br>the data on the progra  | Distance fro   | n nearest surface v<br>Nutratas Ditch N<br><u>Dil-based</u> Gas<br>ement<br>e and proposed nu<br>RCVD S<br>DIL C   | Air A<br>Estimated TOC<br>SURFACE<br>SURFACE<br>SURFACE<br>ew productive zone<br>SEP 27 '07<br>OMS, DIV,<br>(SI, 3 |
|  | Cas<br>Cas<br>Q<br>Q<br>Cas<br>Program. If<br>rention prog<br>raneros Sh.<br>m 3000# L <sup>1</sup><br>d, 3000#<br>D# w/arr/hyd  | ick Clay [] ]<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21   | Propos<br>Casing<br>Casing<br>s to DEEP<br>additional<br>and/or gas   | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10 5#<br>EN or PLU<br>sheets if ne<br>in all forma   | est fresh water v s 1 ing and Ce sot GBACK, give scessary. ations encounte t be t be t or  | Setting Method:<br>Fresh Water [<br>rment Progra<br>Setting Depth<br>350'<br>1700'<br>the data on the progra<br>red<br>OIL   | Distance fro   | n nearest surface v<br>Nutratas Ditch N<br><u>Dil-based</u> Gas<br>ement<br>e and proposed nu<br>RCVD S<br>DIL C   | Air A<br>Estimated TOC<br>SURFACE<br>SURFACE<br>SURFACE<br>Ew productive zone<br>SEP 27 '07<br>OMS, DIV,<br>SI, 3  |
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|  | Cas<br>Cas<br>Cas<br>Q<br>Q<br>Cas<br>Q<br>Q<br>Cas<br>Q<br>Q<br>Cas<br>Cas<br>Q<br>Q<br>Cas<br>Cas<br>Cas<br>Cas<br>Cas<br>Cas<br>Cas<br>Cas<br>Cas<br>Cas  | ick Clay [] ]<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21   | Propos<br>Casing<br>Casing<br>s to DEEP<br>additional<br>and/or gas   | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10 5#<br>EN or PLU<br>sheets if ne<br>in all forma   | est fresh water v s 1 ing and Ce xot GBACK, give cessary. ations encounte ne t be or Appro Title:  | Setting Method:<br>Fresh Water [<br>presh Water [<br>presh Water ]<br>presh Water [<br>presh Water ]<br>presh Water [<br>presh Water ]<br>presh Water ]<br>pres | Distance from  | n nearest surface v<br>Nummas Dirch N<br>Dil-based Gas<br>ement<br>e and proposed n<br>RCVD S<br>DIL C<br>DIL C<br>DI<br>TION DIVI                               | Air A  |
| Closed-Loop Syste<br>Hole Size<br>12.1/2 <sup>32</sup><br><u>R</u> 3/2 <sup>33</sup><br><sup>2</sup> Describe the proposed<br>Describe the proposed<br>Describe the blowout prevent<br>Propose to drill into the G<br>1) Shafco 11" Double Ra<br>1) Grant 11" rotating hea<br>1) So00# choke manifold<br>1) Koomey 3 station 300<br>4) 10 gallon bottles<br><sup>23</sup> I hereby certify that the<br>constructed according to<br>an (attached) strengative | Cas<br>Cas<br>Q<br>Cas<br>Program. If<br>rention prog<br>raneros Sh.<br>m 3000# L <sup>1</sup><br>d, 3000#<br>W/arr/hyd<br>information<br>belief I fu<br>o NMOCD<br>e OCD-app<br>M. U.<br>Reed, P. E.  | ick Clay [] 1<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>2  | Propos<br>Casing<br>Casing<br>s to DEEP<br>additional<br>and/or gas   | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10 5#<br>EN or PLU<br>sheets if ne<br>in all forma   | est fresh water v s 1 ing and Ce xot GBACK, give cessary. ations encounte ne t be or Appro Title:  | Setting Method:<br>Fresh Water<br>Erment Progra<br>Setting Depth<br>350°<br>1700°<br>the data on the progra<br>red<br>OIL<br>OVER by.  | Distance from  | n nearest surface v<br>Nummas Dirch N<br><u>Dil-based Gas</u><br>ement<br>e and proposed nu<br>RCVD S<br>DIL C<br>DI   | Air A  |
|  | mils the mile the mil   | ick Clay [] 1<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>2  | Propos<br>Casing<br>Casing<br>s to DEEP<br>additional<br>and/or gas   | e from near<br>TEFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36 0#<br>10 5#<br>EN or PLU<br>sheets if ne<br>in all forma   | est fresh water v s 1 ing and Ce xot GBACK, give cessary. ations encounte ne t be or Appro Title:  | Setting Method:<br>Fresh Water [<br>presh Water [<br>presh Water ]<br>presh Water [<br>presh Water ]<br>presh Water [<br>presh Water ]<br>presh Water ]<br>pres | Distance from  | n nearest surface v<br>Nummas Dirch N<br>Dil-based Gas<br>ement<br>e and proposed n<br>RCVD S<br>DIL C<br>DIL C<br>DI<br>TION DIVI                               | Air A  |
|  | Cas<br>Cas<br>Q<br>Cas<br>Q<br>Cas<br>Program. If<br>rention prog<br>raneros Sh.<br>m 3000# L <sup>1</sup><br>d, 500 L <sup>1</sup><br>e, 600 L <sup>1</sup><br>d, 700 L <sup>1</sup><br>d, | ick Clay [] 1<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>21<br>2  | Propos<br>Casing<br>Casing<br>s to DEEP<br>additional s<br>and/or gas | e from near<br>TFT<br>:_4000_bbl<br>sed Cas<br>g weight/fo<br>36.0#<br>10.5#<br>EN or PLU<br>sheets if ne<br>in all formation<br>in all fore | est fresh water v<br>s 1<br>ing and Ce<br>xot 2<br>G BACK, give<br>xcessary.<br>ations encounter<br>be<br>to be<br>or<br>Appro-<br>Tritle:<br>Appro- | Setting Method:<br>Fresh Water [<br>Erment Progra<br>Setting Depth<br>350'<br>1700'<br>the data on the pro-<br>red<br>OIL<br>oved by.<br>De<br>ova OCJ 1 8   | Distance from  | n nearest surface v<br>Nummas Dirch N<br><u>Dil-based Gas</u><br>ement<br>e and proposed nu<br>RCVD S<br>DIL C<br>DI<br>TION DIVI<br>Gas Inspe<br>Schuttish Date | Air A  |

| 10st.10                          | . 2007                            | 8:15AM                                   | App                         | roach R              | esources     | INC ·               |                  | <b></b>  | NU.  | 1192   | F·Z   |
|----------------------------------|-----------------------------------|--|-----------------------------|----------------------|--------------|---------------------|------------------|--|--|--|---|
| District I                       |                                   |  |                             |                      | State of M   | ew Mexico           |                  |  |  |  | Form C-102  |
| 1 625 N. Franch Dr               | ., Hobbs, NM                      | 88240                                    | <b></b>                     |                      |              |                     | Danamma          | at .   |  | Revised  | October 12, 2005  |
| District II                      |                                   | 307 80340                                | ±1                          |                      |              | ral Resources       |                  |  | ubmit to   | Appropri   | ate District Office   |
| 1301 W. Grand Av<br>District III | Venue, Artesie                    | , NM 88410                               |                             |                      |              | TION DIV            |                  |  |  | State  | e Lease - 4 Copies  |
| Rio Brazos R                     | ld, Aztec, NM                     | 1 87410                                  |                             | 1:                   |              | St. Francis D       | r.               |  |  | Fe   | a Lease - 3 Copies  |
| 1220 S. St. Francis              | Der Games R                       | NM 97604                                 |                             |                      | Santa Fe,    | NM 87505            |                  |  |  |  | ENDED REPORT  |
| 1 240 0. 01. 1 14102             | TALL OFFICE 34                    |  |                             |                      |              |                     |                  |  | ст <sup>ъ</sup>  |  | SINDED REPORT   |
|                                  | API Number                        |  | ELL LC                      | Pupl Cod             |              | REAGE D             | EDICAT           | JON PLA<br>Pool Nat  | 1.<br>ma   |  |   |
| 30.0                             |                                   | 129                                      | 4 9                         | 7642                 |              | WCZ8Na              | 15-16            |  |  | 1  |   |
| Property                         | Code                              |  | 1 1                         | 1 0 1 4              |              | ty Name             | C. IV            | - in cos   |  |  | Wall Number   |
| 2676                             | /                                 |  |                             | inuel.               | Sena 😂       | eperty              |                  |  |  | GENCA  | : #2  |
| OGRID                            |                                   |  |                             |                      | -            | or Name             |                  |  |  |  | Kievation   |
| 24834                            | 2                                 |  | App                         | roach                | Operati      |                     |                  |  |  | 78   | 323.36'   |
|                                  |                                   |  |                             |                      |              | e Location          |                  | <u> </u>   |  |  |   |
| UL or lot na.                    | Section<br>**16                   | Township                                 | Range<br>**04E              | Lot Ida              | 1            | he North/So<br>SOUT |                  | Feet from the 680  | Ea:<br>EA  | err<br>arr   | County<br>RIO ARRIBA  |
|                                  | -10                               | **28N                                    | **04L                       |                      | 1200         | 5001                | n                | 000  |  | .01  |   |
|                                  |                                   |  | <sup>II</sup> Bc            | ttom Ho              | ole Location | If Differen         | t From S         | urface   |  |  |   |
| UL or lot as.                    | Section                           | Township                                 | Rauge                       | Lat Ida              | Peet from    | the North/So        | uth line         | Foot from the  | Eas  | t/West line  | County  |
|                                  |                                   |  |                             | <b>#</b> "           |              |                     |                  |  |  |  |   |
| Dedicated Acro                   |                                   | ninfil <sup>14</sup> 0                   | Consolidation               | Code <sup>15</sup> O | rder No.     |                     |                  |  |  |  |   |
| 40 Sty 5                         | 124                               |  |                             |                      |              |                     |                  |  |  |  |   |
|                                  | ,                                 |  |                             |                      |              |                     |                  | due proposad b<br>Iocation puestia<br>Interneti, or to d<br>Interlightre artic | nations have loo<br>at it to a contra<br>in voluminity pou-<br>cratily the div | ation or has a .<br>na with an own<br>other agreeme<br>iston<br>1, <u>3</u>          | d beternet in the land including<br>right to drill this well at this<br>ar of such a returned as working<br>at an a compulsory pooling order<br>The Dolta |
| Latii<br>Longi                   | <u>NO. 2</u><br>tude -<br>ltude - | 106*3                                    | 9'25.0<br>0'42.5<br>71anë C | 1613W                |              |                     | 680 <sup>1</sup> | I hersby ce<br>was plotten<br>me or und<br>and correc                          | ertify that i<br>d from fiek<br>ier my supe<br>at to the be<br>vey 1.9         | he well loc<br>d notes of a<br>rvision, an<br>st of my bea<br>9 Bapte<br>nfeesans Si | mbar 2007   |
| 1                                | stem -<br>- 4                     | State 1<br>Central<br>23,574.<br>59;398) | .972                        |                      |              | 1200                |                  | Gilber<br>No. 13<br>Contracts N  | to Ard<br>1976   | 101  |   |

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| 78:15AM Approach Resources I | i N |
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| District I<br>1625 N. French Dr.,<br>District II<br>1301 W. Grand Ave<br>District III<br>0000 Rio Brazos Ro<br>District IV<br>1220 S. St. Francis | enue, Artesia<br>d., Aztec, NN | , NM 88210<br>1 87410<br>e, NM 87504 | 5                          | Energy, Minerals & Natural Resources Department<br>OIL CONSERVATION DIVISION<br>1220 South St. Francis Dr.<br>Santa Fe, NM 87505 |                         |                  |                       |     | Form C-102<br>October 12, 2005<br>Ite District Office<br>Lease - 4 Copies<br>ELease - 3 Copies |                      |
|---|--------------------------------|--------------------------------------|----------------------------|--|-------------------------|------------------|-----------------------|-----|--|----------------------|
| 2003  | API Namber                     | 2120                                 | sat 1                      | <sup>2</sup> Pool Code   |                         |                  | <sup>3</sup> Pool Nar | De  |  |                      |
| Property C  | 51-                            | 202                                  | 14                         |  | <sup>3</sup> Property N | Vamo             |                       |     | Sand   | Well Number          |
| rioperty -  |                                |                                      | Ma                         | anuel  | Sena Prop               |                  |                       |     |  |                      |
| OGRID   | No.                            |                                      |                            |  | Operator I              |                  |                       |     | <u>}</u>   | Elevation            |
|   |                                |                                      | App                        | proach Operating LLC   |                         |                  |                       |     | 78   | 323.36'              |
|   |                                |                                      |                            |  | <sup>10</sup> Surface   | Location         |                       |     | <b>.</b>   |                      |
| UL or lot no.   | Section                        | Township                             | Range                      | Lot Idu  | Feet from the           | North/South line | Feet from the         | Eas | st/West line   | County               |
|   | **16                           | **28N                                | **04E                      |  | 1200                    | SOUTH            | 680                   | EA  | ST   | RIO ARRIBA           |
| <sup>II</sup> Bottom Hole Location If Different From Surface  |                                |                                      |                            |  |                         |                  | L                     |     |  |                      |
| UL or lot no.   | Section                        | Township                             | Range                      | Lot Idn  | Feet from the           | North/South line | Feet from the         | Eas | st/West line   | County               |
|   | <u> </u>                       |                                      |                            | 4  |                         |                  |                       |     |  |                      |
| <sup>12</sup> Dedicated Acres   | Joint c                        | r Infill                             | <sup>4</sup> Consolidation | Code <sup>13</sup> Or  | rder No.                |                  |                       | ļ   | rcvd o<br>OIL Co   | CT 11'07<br>NS. DIV. |

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.

0151.3

| ** Projection within the Tierra Amarilla Lan | d Grant |            |   |
|--|---------|------------|---|
| 16   |         |            | "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 mirrest 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 nimeral or working  |
|  |         |            | meerest, or to a voluntary pooling agreement or a compulsory pooling order  |
|  |         |            | heretafore entered by the drission  |
|  |         |            | Aamo 1. 3-10-10-2007<br>Signature Date                                      |
|  |         |            | Sugnature Date  |
|  |         |            | Printed Name  |
|  |         | Ĺ          | JAMES S.SCON  |
|  |         |            | Opine S   |
|  |         |            |   |
|  |         |            |   |
|  | L       |            |   |
|  |         |            | <sup>18</sup> SURVEYOR CERTIFICATION  |
| SENA NO. 2                                   |         | [          | I hereby certify that the well location shown on this plat                  |
|  |         |            | was plotted from field notes of actual surveys made by                      |
| Latitude - 36°39'25.020                      | 04N     |            | me or under my supervision, and that the same is true                       |
| Longitude - 106°30'42.516                    | 13W     |            | and correct to the best of my belief  |
|  | 1       | <b>L</b> 7 | Date of Survey 19 September 2007  |
|  | l       | Sena #2    | Signature and Seal of Professional Superson                                 |
| New Mexico State Plane Coo                   | rdinata | 680        | CHULETA 60  |
| System - Central Zone                        |         |            | CHULEIA 60  |
| System - Central 2011e                       |         |            | 4. GORANT   |
| - /22 57/ 072                                |         | 2          | Helper TEKLER ME  |
| x - 423,574.972                              |         | 2001       | Cilberto Ling S / S   |
| y - 2,059,398.124                            | 1       | 1          | Gilberto Archileta  |
|  |         |            | Cartificata Mumber  |
|  |         |            | Certaincare Number  |

| Submit 3 Copies To Appropriate District           | Form C-103<br>May 27, 2004  |  |
|---|---|--|
| District 1  | Energy, Minerals and Natural Resources  | WELL API NO.                                       |
| 1625 N French Dr., Hobbs, NM 88240<br>District II |   | 30-039-30394                                       |
| 1301 W. Grand Ave , Artesia, NM 88210             | OIL CONSERVATION DIVISION   |  |
| District III                                      | 1220 South St. Francis Dr.  | 5. Indicate Type of Lease<br>STATE STATE FEE       |
| 00 Rio Brazos Rd., Aztec, NM 87410                | Santa Fe, NM 87505  | 6. State Oil & Gas Lease No.                       |
| 1220 S. St Francis Dr, Santa Fc, NM               |   | 0. State off & Gus Deuse Ho.                       |
| 87505   |   |  |
|   | CES AND REPORTS ON WELLS  | 7. Lease Name or Unit Agreement Name               |
|   | ALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A<br>CATION FOR PERMIT" (FORM C-101) FOR SUCH | SENA   |
| PROPOSALS.)                                       |   | 8. Well Number                                     |
|   | Gas Well 🔲 Other  | 2  |
| 2. Name of Operator                               |   | 9. OGRID Number                                    |
| APPROACH OPERATING, LI                            | LC  | 248343   |
| 3. Address of Operator                            | TE 1107, FORT WORTH, TX 76116   | 10. Pool name or Wildcat                           |
|   |   | WILDCAT  |
| 4. Well Location                                  |   |  |
| Unit Letter:                                      | 1200 feet from the <u>SOUTH</u> line and  |  |
| Section 16  | Township 28N Range 4E   | NMPM County RIO ARRIBA                             |
|   | 11. Elevation (Show whether DR, RKB, RT, GR, e<br>7823.36' LSD                          | 1C.)   |
| Pit or Below-grade Tank Application 🛛 or          |   | 7200   |
| Pit type reserve Depth to Groundwat               | er <u>&gt;100'</u> Distance from nearest fresh water well <u>&gt;</u>                   | 000' Distance from nearest surface water           |
| Pit Liner Thickness: 6 mil                        | Below-Grade Tank; Volume bbls;  | Construction Material                              |
| 12. Check A                                       | Appropriate Box to Indicate Nature of Notic   | e, Report or Other Data                            |
| NOTICE OF IN                                      | TENTION TO: SU  | JBSEQUENT REPORT OF:                               |
| PERFORM REMEDIAL WORK                             | PLUG AND ABANDON  |  |
| TEMPORARILY ABANDON                               | —   |  |
| PULL OR ALTER CASING                              | MULTIPLE COMPL CASING/CEM   | <u> </u>   |
|   | —   | _  |
| THER: RESERVE PIT APPLICA                         |   | <u>O</u>   |
| 13. Describe proposed or comp                     | leted operations. (Clearly state all pertinent details,                                 | and give pertinent dates, including estimated date |
|   | ork). SEE RULE 1103. For Multiple Completions:  | Attach wellbore diagram of proposed completion     |
| or recompletion.                                  |   |  |
|   |   |  |
| Propose to build blooie line/reserve pit in proc  | ess of drilling exploration well for oil or gas.  |  |

| I hereby certify that the information above is true and complete to the       | e best of my knowledge and belief. I further certify that any pit or below- |
|---|---|
| grade tank has been willing constructed or closed according to NMOCD guidelin | es 🗋, a general permit 🛛 or an (attached) alternative OCD-approved plan 🗍.  |
| The ind   | Senior Vice President of Operations DATE September 24, 2007                 |
| Type or print name Glenn W. Reed, P. E. E-mail address: gwr                   | eed@approachresources.com Telephone No. (817) 989-9000                      |
| or State Use Only   | Doputy Oil & Gas Inspector,   |
| APPROVED BY:  | $District \# 3 \qquad UL   1 \otimes ZUU  $                                 |
| Conditions of Approval (if any):  |   |