

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**

<sup>1</sup> Operator Name and Address APPROACH OPERATING, LLC 6300 RIDGLEA PLACE, SUITE 1107 FORT WORTH, TX 76116		<sup>2</sup> OGRID Number 248343
<sup>3</sup> Property Code 36761		<sup>4</sup> Property Name SENA
<sup>5</sup> Proposed Pool 1 WC 28N4E10		<sup>6</sup> Proposed Pool 2

<sup>7</sup> 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	4E	G94	350	SOUTH	495	WEST	RIO ARRIBA

<sup>8</sup> 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**

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary ROTARY	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 7955 78' LSD
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 2000	<sup>18</sup> Formation GRANEROS	<sup>19</sup> Contractor BEARCAT DRLG CO	<sup>20</sup> 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 mils thick Clay <input type="checkbox"/>		Prt 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"/>		

<sup>21</sup> 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

<sup>22</sup> 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

<sup>23</sup> 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:

Title:

Approval Date:

Expiration Date:

Conditions of Approval Attached

OCT 03 2007-aw

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Submit 3 Copies To Appropriate District  
 Office  
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 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 \_\_\_\_\_ : \_\_\_\_\_ feet from the \_\_\_\_\_ line and \_\_\_\_\_ feet from the \_\_\_\_\_ 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'  
<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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
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  
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  
220 S. St. Francis Dr., Santa Fe, NM 87505

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

**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	Property Name SENA	API Number 30-039-30394
Proposed Pool 1 WC 28N 16E 4E; MANCOS		Proposed Pool 2

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

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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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 >200 FEET Nutrias Ditch No. 1 <1000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> muls thick Clay <input type="checkbox"/>		Pit Volume: 4000 bbls		Drilling Method: Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>
Closed-Loop System <input type="checkbox"/>				

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.

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. 2

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: <i>Glenn W. Reed</i>	Approved by: <i>[Signature]</i>		
Printed name: Glenn W. Reed, P. E.	Title: Deputy Oil & Gas Inspector.	Approval Date: OCT 18 2007 District #3	
Title: Senior Vice-President of Operations	Expiration Date:	Conditions of Approval Attached <input type="checkbox"/>	
E-mail Address: gwreed@approachresources.com			
Date: September 24, 2007	Phone: (817) 989-9000		

12 mil liner required  
OCT 18 2007

RAC 4

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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 <b>30-039-30394</b>		2 Pool Code <b>97645</b>		3 Pool Name <b>WC 28N4E16 Mancos Oil</b>	
4 Property Code <b>36761</b>		5 Property Name <del>Manuel Sena Property</del>			6 Well Number <del>SENA #2</del>
7 OGRID No. <b>248343</b>		8 Operator Name <b>Approach Operating LLC</b>			9 Elevation <b>7823.36'</b>

10 Surface Location

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

12 Dedicated Acres <b>40 SE 1/4 SE 1/4</b>	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		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 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 this division.</i>	
		Signature: <i>James S. Scott</i> Date: <i>10-10-2007</i>	
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 - <b>36°39'25.02004N</b> Longitude - <b>106°30'42.51613W</b>		Date of Survey <b>19 September 2007</b>	
New Mexico State Plane Coordinate System - Central Zone		Signature and Seal of Professional Surveyor	
x - <b>423,574.972</b> y - <b>2,059,398.124</b>		Signature: <i>Gilberto Archuleta</i> Date: <i>10-10-2007</i>	
		Certificate Number	



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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  
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 AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-039-30394</b>		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>Manuel Sena Property</b>		<sup>6</sup> Well Number <b>SENA #2</b>
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name <b>Approach Operating LLC</b>		<sup>9</sup> Elevation <b>7823.36'</b>

<sup>10</sup> 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

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.

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**

<sup>16</sup>				<b><sup>17</sup> OPERATOR CERTIFICATION</b> 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><i>James S. Scott</i> Signature Date 10-10-2007</p> <p>Printed Name <b>JAMES S. SCOTT</b></p>	
<b>SENA NO. 2</b>		Latitude - <b>36°39'25.02004N</b>		<b><sup>18</sup> SURVEYOR CERTIFICATION</b> 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	
Longitude - <b>106°30'42.51613W</b>				Date of Survey <b>19 September 2007</b>	
New Mexico State Plane Coordinate System - Central Zone				Signature and Seal of Professional Surveyor	
x - <b>423,574.972</b>				<p><i>Gilberto Archuleta</i></p> <p><b>GILBERTO ARCHULETA</b> NEW MEXICO 13976 REGISTERED PROFESSIONAL SURVEYOR</p>	
y - <b>2,059,398.124</b>		<p><b>Sena #2</b> 680'</p> <p>1200'</p>		Certificate Number	

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
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 \_\_\_\_\_ : 1200 feet from the SOUTH line and 680 feet from the EAST 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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK  PLUG AND ABANDON   
TEMPORARILY ABANDON  CHANGE PLANS   
PULL OR ALTER CASING  MULTIPLE COMPL

SUBSEQUENT REPORT OF:

- REMEDIAL WORK  ALTERING CASING   
COMMENCE DRILLING OPNS.  P AND A   
CASING/CEMENT JOB

OTHER: RESERVE PIT APPLICATION  OTHER:

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 blooic 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 ~~fully~~ 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

Deputy Oil & Gas Inspector,  
District #3

APPROVED BY: [Signature] TITLE \_\_\_\_\_ DATE OCT 18 2007

Conditions of Approval (if any):