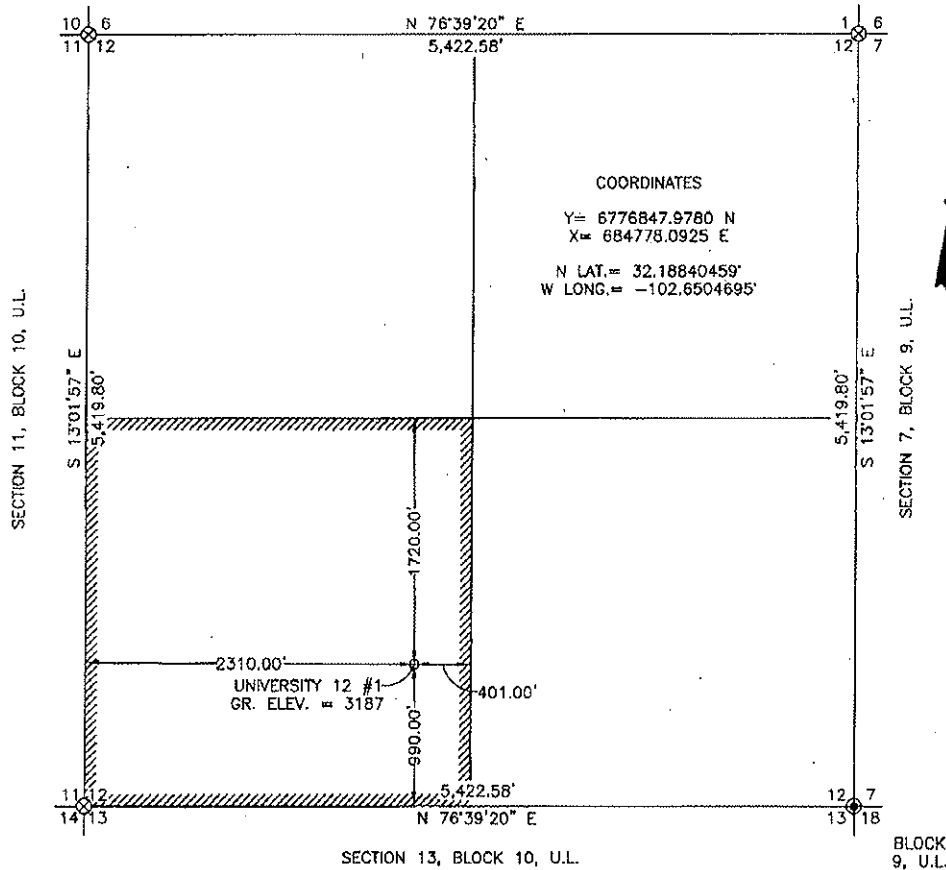


Serial: 8240 Spud: 4-19-08 WL: 3870 API No. <u>42-003-40449</u> Drilling Permit # <u>657723</u> SWR Exception Case/Docket No. _____		<b>RAILROAD COMMISSION OF TEXAS</b> <b>OIL &amp; GAS DIVISION</b> <b>APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER</b> <i>This facsimile W-1 was generated electronically from data submitted to the RRC.</i> <i>A certification of the automated data is available in the RRC's Austin office.</i>			<b>FORM W-1</b> 07/2004 Permit Status: <b>Approved</b>	
1. RRC Operator No. <b>616981</b>		2. Operator's Name (as shown on form P-5, Organization Report) <b>OK ARENA OPERATING COMPANY</b>		3. Operator Address (include street, city, state, zip):		
4. Lease Name <b>UNIVERSITY 12</b>		5. Well No. <b>1</b>				
<b>GENERAL INFORMATION</b>						
6. Purpose of filing (mark ALL appropriate boxes): <input checked="" type="checkbox"/> New Drill <input type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input type="checkbox"/> Re-Enter <input type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)						
7. Wellbore Profile (mark ALL appropriate boxes): <input checked="" type="checkbox"/> Vertical <input type="checkbox"/> Horizontal (Also File Form W-1H) <input type="checkbox"/> Directional (Also File Form W-1D) <input type="checkbox"/> Sidetrack						
8. Total Depth <b>4900</b>		9. Do you have the right to develop the minerals under any right-of-way? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>SURFACE LOCATION AND ACREAGE INFORMATION</b>						
11. RRC District No. <b>08</b>		12. County <b>ANDREWS</b>		13. Surface Location <input checked="" type="checkbox"/> Land <input type="checkbox"/> Bay/Estuary <input type="checkbox"/> Inland Waterway <input type="checkbox"/> Offshore		
14. This well is to be located <b>12</b> miles in a <b>SW</b> direction from <b>ANDREWS</b> which is the nearest town in the county of the well site.						
15. Section <b>12</b>	16. Block <b>10</b>	17. Survey <b>UL</b>	18. Abstract No. <b>A-</b>	19. Distance to nearest lease line: <b>401</b> ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <b>160</b>	
21. Lease Perpendiculars: <b>401</b> ft from the <b>E</b> line and <b>990</b> ft from the <b>S</b> line.		22. Survey Perpendiculars: <b>990</b> ft from the <b>S</b> line and <b>2310</b> ft from the <b>W</b> line.				
23. Is this a pooled unit? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		24. Unitization Docket No:		25. Are you applying for Substandard Acreage Field? <input type="checkbox"/> Yes (attach Form W-1A) <input checked="" type="checkbox"/> No		
<b>FIELD INFORMATION</b> List all fields of anticipated completion including Wildcat. List one zone per line.						
26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)	29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	
<b>08</b>	<b>33176001</b>	<b>FUHRMAN-MASCHO</b>	<b>Oil Well</b>	<b>4900</b>	<b>0.00</b>	
<b>BOTTOMHOLE LOCATION INFORMATION</b> is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS						
<b>Remarks</b>  			<b>Certificate:</b> I certify that information stated in this application is true and complete, to the best of my knowledge.  <div style="display: flex; justify-content: space-between;"> <div> <u>Teresa Froelich, Admin Asst</u>            Name of filer         </div> <div> <u>Mar 19, 2008</u>            Date submitted         </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> <u>(432)5239993</u>            Phone         </div> <div> <u>teresa.froelick@arenadrillingco.com</u>            E-mail Address (OPTIONAL)         </div> </div>			
<b>RRC Use Only</b> Data Validation Time Stamp: <b>Apr 1, 2008 11:51 AM ('As Approved' Version)</b>						

# SECTION 12, BLOCK 10, U.L. ANDREWS COUNTY, TEXAS

SECTION 2, BLOCK 10, U.L.

BLOCK  
9, U.L.

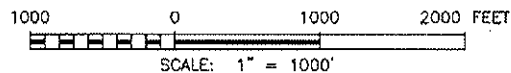


## LEGEND

- DENOTES PROPOSED WELL LOCATION
- DENOTES EXISTING WELL
- ⊙ DENOTES FOUND MONUMENT AS NOTED
- ⊕ DENOTES CALCULATED CORNER
- DENOTES LEASE LINE
- ▨ DENOTES LEASE AREA
- - - DENOTES 1/2 SECTION LINE
- DENOTES TANK BATTERY

## NOTES:

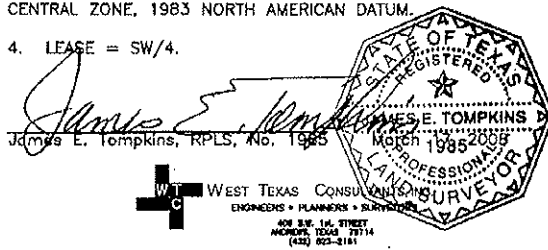
1. THIS LOCATION IS APPROXIMATELY 12 MILES WEST/SOUTHWEST OF ANDREWS, TEXAS.
2. SEE DOCUMENTS FILED FOR RECORD IN THIS OFFICE, WHICH DESCRIBE THE RECONSTRUCTION OF THIS SECTION.
3. BEARING DISTANCES AND COORDINATES ARE RELATIVE TO THE TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE, 1983 NORTH AMERICAN DATUM.
4. LEASE = SW/4.



## OK ARENA OPERATING COMPANY

UNIVERSITY 12 #1  
LOCATED 990.00 FEET FROM THE SOUTH LINE AND 2310.00 FEET FROM THE WEST LINE OF SECTION 12, BLOCK 10, U.L., ANDREWS COUNTY, TEXAS.

SURVEY DATE: 03-08-08	SHEET 1 OF 1 SHEETS
W.O. NUMBER:	DRAWN BY: D.B.H.
DATE: 03-17-08	WTC47635
	SCALE: 1" = 1000'



**RAILROAD COMMISSION OF TEXAS**  
**OIL & GAS DIVISION**

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

PERMIT NUMBER 657723	DATE PERMIT ISSUED OR AMENDED Apr 01, 2008	DISTRICT * 08
API NUMBER 42-003-40449	FORM W-1 RECEIVED Mar 19, 2008	COUNTY ANDREWS
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Vertical	ACRES 160
OPERATOR OK ARENA OPERATING COMPANY		NOTICE This permit and any allowable assigned may be revoked if payment for fee(s) submitted to the Commission is not honored. District Office Telephone No: (432) 684-5581
LEASE NAME UNIVERSITY 12		WELL NUMBER 1
LOCATION 12 miles SW direction from ANDREWS		TOTAL DEPTH 4900
Section, Block and/or Survey SECTION ◀ 12                      BLOCK ◀ 10                      ABSTRACT ◀ SURVEY ◀ UL		
DISTANCE TO SURVEY LINES 990 ft. S    2310 ft. W		DISTANCE TO NEAREST LEASE LINE 401 ft.
DISTANCE TO LEASE LINES 401 ft. E    990 ft. S		DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below
FIELD(s) and LIMITATIONS: <p align="center">* SEE FIELD DISTRICT FOR REPORTING PURPOSES *</p>		
FIELD NAME LEASE NAME		ACRES      DEPTH      WELL #      DIST NEAREST LEASE      NEAREST WE
----- FUHRMAN-MASCHO UNIVERSITY 12		----- 160.00      4,900      1      08 401                      0
RESTRICTIONS:    This is a hydrogen sulfide field.    This well shall be drilled in accordance with SWR 36.		
<p align="center">THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS</p> <p>This well shall be completed and produced in compliance with applicable special field or statewide spacing and density rules. If this well is to be used for brine mining, underground storage of liquid hydrocarbons in salt formations, or underground storage of gas in salt formations, a permit for that specific purpose must be obtained from Environmental Services prior to construction, including drilling, of the well in accordance with Statewide Rules 81, 95, and 97.</p>		