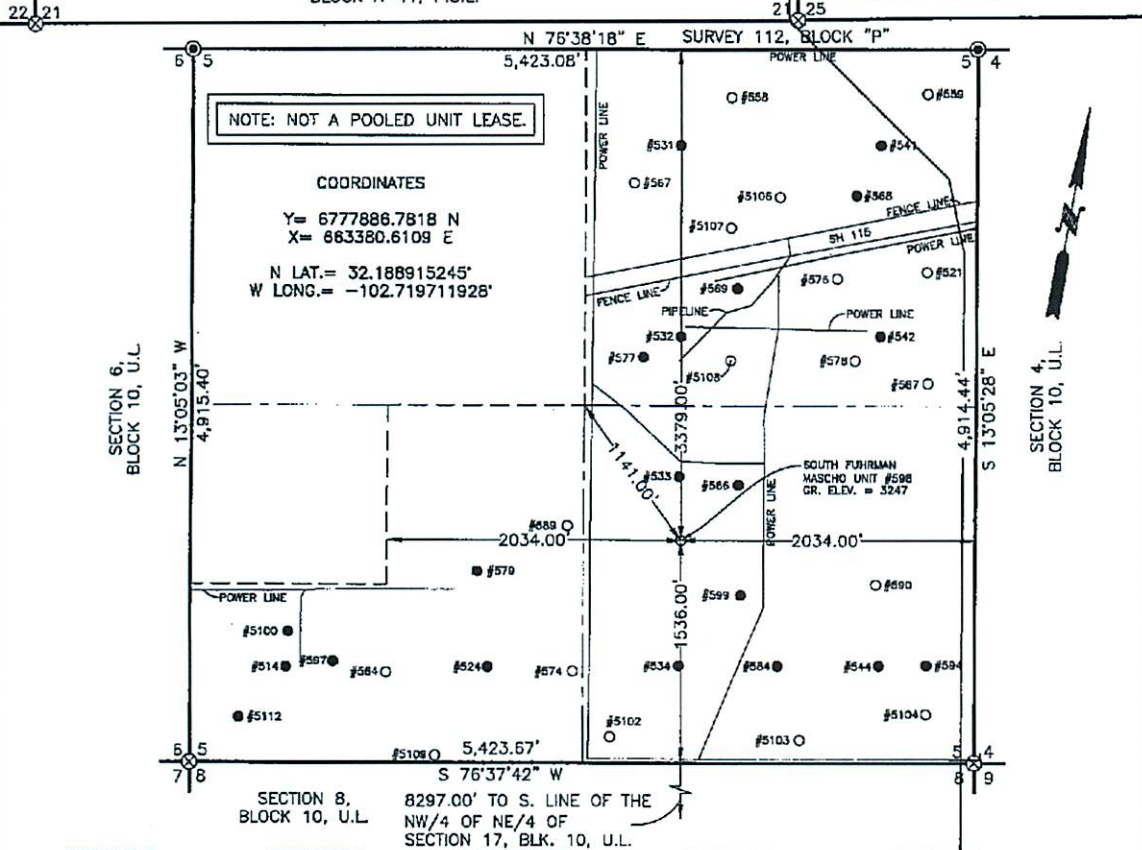


API No. 42-003-41634	RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION				FORM W-1 07/2004	
Drilling Permit # 694638	APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER				Permit Status: Approved	
SWR Exception Case/Docket No.	<i>This facsimile W-1 was generated electronically from data submitted to the RRC. A certification of the automated data is available in the RRC's Austin office.</i>					
1. RRC Operator No. 616981	2. Operator's Name (as shown on form P-5, Organization Report) OK ARENA OPERATING COMPANY			3. Operator Address (include street, city, state, zip):		
4. Lease Name SOUTH FUHRMAN MASCHO UNIT			5. Well No. 598			
GENERAL INFORMATION						
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 4900	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		
SURFACE LOCATION AND ACREAGE INFORMATION						
11. RRC District No. 08	12. County ANDREWS		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 <u>17</u> miles in a <u>SW</u> direction from <u>Andrews</u> which is the nearest town in the county of the well site.						
15. Section 5	16. Block 10	17. Survey UL		18. Abstract No. A-	19. Distance to nearest lease line: 1141 ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: 1600
21. Lease Perpendiculars: <u>1141</u> ft from the <u>W</u> line and <u>1536</u> ft from the <u>S</u> line.						
22. Survey Perpendiculars: <u>1536</u> ft from the <u>S</u> line and <u>2034</u> ft from the <u>E</u> 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		
FIELD INFORMATION 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
08	33176001	FUHRMAN-MASCHO		Oil Well	4900	556.00
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS						
Remarks [RRC STAFF Apr 23, 2010 12:00 PM]: There have been problems identified with this permit (see problem letter attachment). Notification sent.; [RRC STAFF Apr 30, 2010 9:34 AM]: Per Dana Alaniz, the well count is corrected to 103 distance to nearest ell is 556' (SFMY 533 is a plugged injection well).; [RRC STAFF Apr 30, 2010 9:34 AM]: Problems identified with this permit are resolved.				Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge.		
				Name of filer: <u>Dana Alaniz, Admin Manager</u> Date submitted: <u>Apr 19, 2010</u>		
RRC Use Only Data Validation Time Stamp: May 3, 2010 2:45 PM(Current Version)				Phone: <u>(432)5239993</u> E-mail Address (OPTIONAL): <u>dana.alaniz@arenadrillingco.com</u>		

SECTION 5, BLOCK 10, U.L.
ANDREWS COUNTY, TEXAS

SECTION 21,
BLOCK A-41, P.S.L.

SECTION 25,
BLOCK A-42, P.S.L.



NOTE: NOT A POOLED UNIT LEASE.

COORDINATES
Y= 6777886.7818 N
X= 863380.6109 E
N LAT.= 32.188915245'
W LONG.= -102.719711928'

NAME	DISTANCE	NAME	DISTANCE	NAME	DISTANCE	NAME	DISTANCE	NAME	DISTANCE
SOUTH FUHRMAN MASCHO UNIT #514	2868.00'	SOUTH FUHRMAN MASCHO UNIT #514	1630.00'	SOUTH FUHRMAN MASCHO UNIT #514	1279.00'	SOUTH FUHRMAN MASCHO UNIT #514	2548.00'	SOUTH FUHRMAN MASCHO UNIT #514	2259.00'
SOUTH FUHRMAN MASCHO UNIT #515	2510.00'	SOUTH FUHRMAN MASCHO UNIT #515	3069.00'	SOUTH FUHRMAN MASCHO UNIT #515	1724.00'	SOUTH FUHRMAN MASCHO UNIT #515	584.00'	SOUTH FUHRMAN MASCHO UNIT #515	3284.00'
SOUTH FUHRMAN MASCHO UNIT #516	1805.00'	SOUTH FUHRMAN MASCHO UNIT #516	3518.00'	SOUTH FUHRMAN MASCHO UNIT #516	1427.00'	SOUTH FUHRMAN MASCHO UNIT #516	2788.00'	NEAREST PIPELINE	1225.00'
SOUTH FUHRMAN MASCHO UNIT #517	2720.00'	SOUTH FUHRMAN MASCHO UNIT #517	2237.00'	SOUTH FUHRMAN MASCHO UNIT #517	1104.00'	SOUTH FUHRMAN MASCHO UNIT #517	1449.00'	FENCE LINE	1772.00'
SOUTH FUHRMAN MASCHO UNIT #518	1388.00'	SOUTH FUHRMAN MASCHO UNIT #518	2480.00'	SOUTH FUHRMAN MASCHO UNIT #518	538.00'	SOUTH FUHRMAN MASCHO UNIT #518	1810.00'	NEAREST POWER LINE	547.00'
SOUTH FUHRMAN MASCHO UNIT #519	441.00'	SOUTH FUHRMAN MASCHO UNIT #519	2669.00'	SOUTH FUHRMAN MASCHO UNIT #519	2020.00'	SOUTH FUHRMAN MASCHO UNIT #519	2083.00'		
SOUTH FUHRMAN MASCHO UNIT #520	874.00'	SOUTH FUHRMAN MASCHO UNIT #520	1773.00'	SOUTH FUHRMAN MASCHO UNIT #520	798.00'	SOUTH FUHRMAN MASCHO UNIT #520	2460.00'		
SOUTH FUHRMAN MASCHO UNIT #521	3054.00'	SOUTH FUHRMAN MASCHO UNIT #521	1184.00'	SOUTH FUHRMAN MASCHO UNIT #521	1389.00'	SOUTH FUHRMAN MASCHO UNIT #521	2178.00'		
SOUTH FUHRMAN MASCHO UNIT #522	1968.00'	SOUTH FUHRMAN MASCHO UNIT #522	2099.00'	SOUTH FUHRMAN MASCHO UNIT #522	1912.00'	SOUTH FUHRMAN MASCHO UNIT #522	1276.00'		

- NOTES:
1. THIS LOCATION IS APPROXIMATELY 17.0 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 = TRACTS WITHIN UNIT LEASE - SFMU=1600 ACRES
TRACT 1 - NE/4 OF SECTION 5
TRACT 2 - SE/4 OF SECTION 5
TRACT 3 - S/2 OF SW/4, NE/4 OF SW/4 OF SECTION 5
TRACT 4 - N/2 OF NW/4, SE/4 OF NW/4 OF SECTION 8
TRACT 5 - NE/4 OF SECTION 8
TRACT 6 - SE/4, NE/4 OF THE SW/4 OF SECTION 8
TRACT 7 - SW/4, S/2 OF SE/4 SECTION 9
TRACT 8 - NE/4 OF SECTION 16
TRACT 9 - NW/4 OF SECTION 16
TRACT 10 - N/A
TRACT 11 - NW/4 OF NE/4 OF SECTION 17
TRACT 12 - N/2 OF SW/4 OF SECTION 15
NOT IN UNIT - S/2 OF SW/4 OF SECTION 15
 5. NAMES TAKEN FROM FIELD SURVEY

James E. Tompkins, R.P.S., No. 19855
APR 14, 2010
PROFESSIONAL SURVEYOR
WIT WEST TEXAS SURVEYING PARTS, INC.
ENGINEERS AND SURVEYORS
405 E. 1st STREET
ANDREWS, TEXAS 79714
(409) 523-3181
TEXAS REGISTERED ENGINEERING FIRM P-2748
TEXAS REGISTERED SURVEYOR FIRM #180782-00

LEGEND

- DENOTES PROPOSED WELL LOCATION
- DENOTES EXISTING WELL
- ⊙ DENOTES FOUND MONUMENT AS NOTED
- ⊗ DENOTES CALCULATED CORNER
- DENOTES LEASE LINE
- - - DENOTES 1/2 SECTION LINE
- ☒ DENOTES TANK BATTERY
- * DENOTES NO SIGNAGE IN FIELD

1000 0 1000 2000 FEET
SCALE: 1" = 1000'

OK ARENA OPERATING COMPANY

SOUTH FUHRMAN MASCHO UNIT #598
LOCATED 1,536 FEET FROM THE SOUTH LINE AND 2,034 FEET FROM THE EAST LINE OF SECTION 5, BLOCK 10, U.L., ANDREWS COUNTY, TEXAS.

SURVEY DATE: 04-12-10	SHEET 1 OF 1 SHEETS
W.O. NUMBER:	DRAWN BY: J.T.A.
DATE: 04-14-10	WTC47984
	SCALE: 1" = 1000'