

Railroad Commission of Texas

Form W-1

Oil and Gas Division

Application for Permit to Drill, Deepen, Plug Back, or Re-Enter

This facsimile W-1 was originally filed electronically. A certification of the automated data is available in the RRC's Austin office.

Permit Status: **Approved**

Permit # **537949**
Approved Date: **Oct 28, 2003**

Purpose of filing (mark appropriate boxes):
 Drill Recompletion Reclass Re-Enter Field Transfer
 Horizontal Directional Well Sidetrack Amended Permit

Enter here if assigned > API No. **42 - 475 - 34803**
> Permit No. _____
> SWR Exception Case/Docket No. _____

1. Operator's Name (exactly as shown on form P-5, Organization Report) **PURE RESOURCES, L.P.**
 3. RRC Operator No. **683080**
 4. RRC District No. **08**
 5. County of Well Site **WARD**

2. Address
U.T. LANDS
NOV 5 - 2003
WTO

6. Lease Name **STATE -AL-**
 7. RRC Lease/ID No. _____
 8. Well No. **7**
 9. Total Depth **6600**
 10. Location
 • Section **2** Block **18** Survey **UL** Abstract No. A- _____
 • This well is to be located **19.80** miles in a **W** direction from **MONAHANS** which is the nearest town in the county of the well site.

11. Distance from proposed location to nearest lease or unit line **660.00** ft. 12. Number of contiguous acres in lease, pooled unit, or unitized tract **320.00** (OUTLINE ON PLAT.)

13. Field Name (All established & wildcat zones of anticipated completion)	14. Completion depth	15. Spacing pattern (ft.)	16. Density pattern (acres)	17. Number of acres in drilling unit.	18. Is this acreage assigned to another well on this lease & in this reservoir?	19. Distance from proposed location to nearest applied for, permitted, or completed well, this lease & reservoir.	20. Oil, gas or other type well (Specify)	21. Total number of oil and gas wells applied for, permitted, or completed locations (including this one on lease in this reservoir).
See Below		NA	NA	NA				
		NA	NA	NA				
		NA	NA	NA				

22. Perpendicular surface location from two nearest designated lines:
 • Lease/Unit: (see field) ft from the (see field) line; (see field) ft from the (see field) line. If a directional well, show also projected bottom-hole location:
 • Survey/Section: 660.00 ft from the SOUTH line; 1840.00 ft from the EAST line. • Lease/Unit NA
 • Survey/Section _____

23. Is this a pooled unit? Yes > (attach Form P-12 and certified plat) No

24. Is Item 17 less than Item 16 (substandard acreage for any field applied for)? Yes > (attach Form W-1A) No

25. Is this wellbore subject to Statewide Rule 36 (hydrogen sulfide area)? Yes No If subject to Rule 36, is Form H-9 filed? Yes No > If not, explain in Remarks.

26. Do you have the right to develop the minerals under any right-of-way that crosses, or is contiguous to, this tract? Yes No

27. Remarks

I certify that information stated in this application is true and complete, to the best of my knowledge.

ANNA SCHELLING (915)620-5602

Name of filer _____ Phone _____
 As of: **10/29/03 10:33:04 AM** Oct 27, 2003
 Data Validation Time Stamp Date submitted

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Permit Status: **Approved**
The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

Permit # **537949**
 Approved Date: **Oct 28, 2003**

1. Operator's Name (exactly as shown on form P-5, Organization Report) PURE RESOURCES, L.P.	2. RRC Operator No. 683080	3. Lease Name STATE -AL-	4. County of Well Site WARD
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5. Field Name (All established & wildcat zones of anticipated completion)	6. District	7. Well no.	8. Total acres	9. Distance to nearest lease line (ft.)	10. Completion depth (ft.)	11. Is this acreage assigned to another well on this lease & in this reservoir?	12. Distance to nearest well (ft.)	13. Well type	14. No. of applied for, permitted, or completed locations in this reservoir.
CAPRITO (DELAWARE MIDDLE)	08	7	320.00	660.00	6600		1379.00	Oil or Gas Well	7

Lease Name STATE -AL-	Surface Lease/Unit Perpendiculars 660.00 ft from SOUTH line; 1840.00 ft from EAST line	Wellbore Profiles Vertical
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Railroad Commission of Texas

PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER ON REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

CONDITIONS AND INSTRUCTIONS

Permit Invalidation. It is the operator's responsibility to make sure that the permitted location complies with Commission density and spacing rules in effect on the spud date. The permit becomes invalid automatically if, because of a field rule change or the drilling of another well, the stated location is not in compliance with Commission field rules on the spud date. If this occurs, application for an exception to Statewide Rules 37 and 38 must be made and a special permit granted prior to spudding. Failure to do so may result in an allowable not being assigned and/or enforcement procedures being initiated.

Permit expiration. This permit expires two (2) years from the date of issuance shown on the permit unless actual drilling operations have begun. The permit period will not be extended. If a permit is materially amended, the expiration date is two (2) years from the time the amended permit is issued.

Drilling Permit Number. The drilling permit number shown on the permit MUST be given as a reference with any notification to the district (see below), correspondence, or application concerning this permit.

Rule 37 Exception Permits. This Statewide Rule 37 exception permit is granted under either provision 37 (h)(2)(A) or 37(h)(2)(B). Be advised that a permit granted under 37(h)(2)(A), notice of application, is subject to the General Rules of Practice and Procedures and if a protest is received under Section 1.3, "Filing of Documents," and/or Section 1.4, "Computation of Time," the permit may be deemed invalid.

Before Drilling

Fresh Water Sand Protection. The operator must set and cement sufficient surface casing to protect all usable-quality water, as defined by the Tx Natural Resource Conservation Commission. Before drilling a well, the operator must obtain a letter from the Texas Natural Resource Conservation Commission stating the depth to which water needs protection, Write: Texas Natural Resource Conservation Commission (Surface Casing-MC151), P.O. Box 13087, Austin, TX 78711-3087. File a copy of the letter with the appropriate district office.

During Drilling

Permit at Drilling Site. A copy of the Form W-1 Drilling Permit Application, the location plat, a copy of Statewide Rule 13 alternate surface casing setting depth approval from the district office, if applicable, and this drilling permit must be kept at the permitted well site throughout drilling operations.

***Notification of Setting Casing.** The operator MUST call in notification to the appropriate district office (phone number shown on permit) a minimum of eight (8) hours prior to the setting of surface casing, intermediate casing, AND production casing. The individual giving notification MUST be able to advise the district office of the drilling permit number.

Completion of Drilling

Producing Well. Statewide Rule 16 requires that the operator submit a Form W-2 (oil well) or Form G-1 (gas well) to the appropriate Commission district office within thirty (30) days after completion of such well. Completion of the well in a field authorized by this permit voids the permit for all other fields included in the permit unless the operator indicates on the initial completion report that the well is to be a dual or multiple completion and promptly submits an application for multiple completion. All zones are required to be completed before the expiration date on the existing permit. Statewide Rule 40(d) requires that upon successful completion of a well in the same reservoir as any other well previously assigned the same acreage, proration plats and P-15s (if required) must be submitted with no double assignment of acreage.

Dry or Noncommercial Hole. Statewide Rule 14(b)(2) prohibits suspension of operations on each dry or non-commercial well without plugging unless the hole is cased and the casing is cemented in compliance with Commission rules. If properly cased, Statewide Rule 14(b)(2) requires that plugging operations must begin within a period of one (1) year after drilling or operations have ceased. Plugging operations must proceed with due diligence until completed. An extension to the one-year plugging requirement may be granted under the provisions stated in Statewide Rule 14(b)(2).

Intention to Plug. The operator must file a Form W-3A (Notice of Intention to Plug and Abandon) with the district office at least five (5) days prior to beginning plugging operations. If, however, a drilling rig is already at work on location and ready to begin plugging operations, the district director or the director's delegate may waive this requirement upon request, and verbally approve the proposed plugging procedures.

***Notification of Plugging a Dry Hole.** The operator MUST call in notification to the appropriate district office (phone number shown on permit) a minimum of four (4) hours prior to beginning plugging operations. The individual giving the notification MUST be able to advise the district office of the drilling permit number and all water protection depths for that location as stated in the Tx Natural Resource Conservation Commission letter.

*NOTIFICATION

The operator is REQUIRED to notify the district office when setting surface casing, intermediate casing, and production casing, or when plugging a dry hole. Time requirements are given above. The drilling permit number MUST be given with such notifications.

PHONE
(512) 463-6751

DIRECT INQUIRIES TO: DRILLING PERMIT SECTION, OIL AND GAS DIVISION

U.T. LANDS

MAIL:
PO Box 12967
Austin, Texas, 78711-2967

NOV 5 - 2003

WTO

UCL 24 2003

DEPTH OF USABLE-QUALITY GROUND WATER TO BE PROTECTED

5204

PLEASE READ ALL INSTRUCTIONS

The information requested is essential in order for this agency to provide an appropriate response. Please allow for receipt of this form in our offices at least two weeks before your operation begins. Due to the volume of these requests, at times, it may be difficult for us to handle telephone inquiries. Complete, keep the bottom sheet (goldenrod) for your files, and mail the top 3 sheets of the 4-sheet set of carbon-backed forms with a map to the address below. One sheet bearing our response will be returned to you. Another will be sent to the appropriate district office of the Railroad Commission. Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, contact us at 512/239-3282. If you have questions on how to fill out this form or about the Surface Casing program, please contact us at 512/239-0515.

Surface Casing - MC 315
TCEQ
P.O. Box 13087
Austin, TX 78711-3087

Date 10/22/2003

TCEQ File No.: SC-

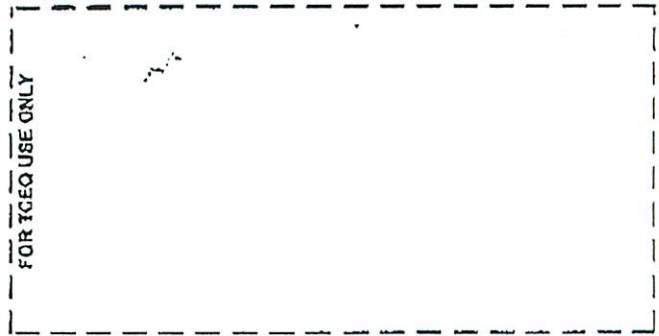
5204

Alan W. Bohling (432) 498-8662
Name of person preparing this request & phone No. (with area code)

Pure Resources, L. P.
Company (operator's name as on RRC form W-1)

500 W. Illinois
Mailing Address

Midland, Texas 79701
City and State ZIP Code



ALWAYS INCLUDE A MAP SHOWING YOUR WELL SITE AND ALL SURROUNDING SURVEYS

COUNTY Ward Survey Name University Lands Survey
Block No. 18 Township Section or Survey No. 2 (or) Lot No.
Abstract No. A- LEASE Name State -AL- Well No. 7
Distances, in feet, and directions measured at right angles from each of two intersecting Section or Survey lines
(NOT LEASE LINES) 660 feet from South line and 1840 feet from East line.
Distance (in miles) and direction from a nearby town in this County (name the town)
10.8 miles West of Monahans, TX
THE ABOVE INFORMATION IN THIS BLOCK MUST BE COMPLETE AND CORRECT
API # RRC Lease No. 25000 RRC Dist. No. 8
GPS Coord. (long/lat or X-Y state plane) X=1102582.06 Y= 698319.15 NAD 27

Elevation 2662' CD Total Depth 6600' Geologic Fm. at T.D. Cherry Canyon
Purpose of the Request: New Drill Re-entry Plug & Abandon Other (specify)

Is this an amended request? Yes No Previous File No. for this well: SC-
 Log included of same or nearby well (The applicable type of well log that shows the aquifers.) Please provide a location map or API# for attached log.

ALWAYS attach the electric log of any well that is to be reentered.

Additional remarks:

To protect usable-quality ground water at this location, the TEXAS COMMISSION ON ENVIRONMENTAL QUALITY recommends:

CO-WARD, SUR-UL, BLK-18, SEC-2, LSE-STATE-AL-, #2, 5/400

The base of usable-quality water-bearing strata is estimated to occur at a depth of 400 feet at the site of the referenced well.

Thank you for the log you sent.

Very truly yours,
Jack M. Oswalt, P.G.

U.T LANDS

NOV 5 - 2003

WTO

October 27, 2003

Date

Geologist, Surface Casing, TCEQ

typed by TCEQ

NOTE: Unless stated otherwise, this recommendation is intended to apply only to the subject well and not for area-wide use. Approval of the well-completion methods for protection of this ground water falls under the jurisdiction of the Railroad Commission of Texas. This recommendation is intended for normal drilling, production, and plugging operations only. It does not apply to saltwater disposal operations into a nonproductive zone (RRC Form W-14).

WIP 4-18-3676

FOLD

TYPE OR PRINT IN INK

FOLD

DO NOT WRITE HERE FOR TCEQ USE ONLY

Block 18, University Land

14

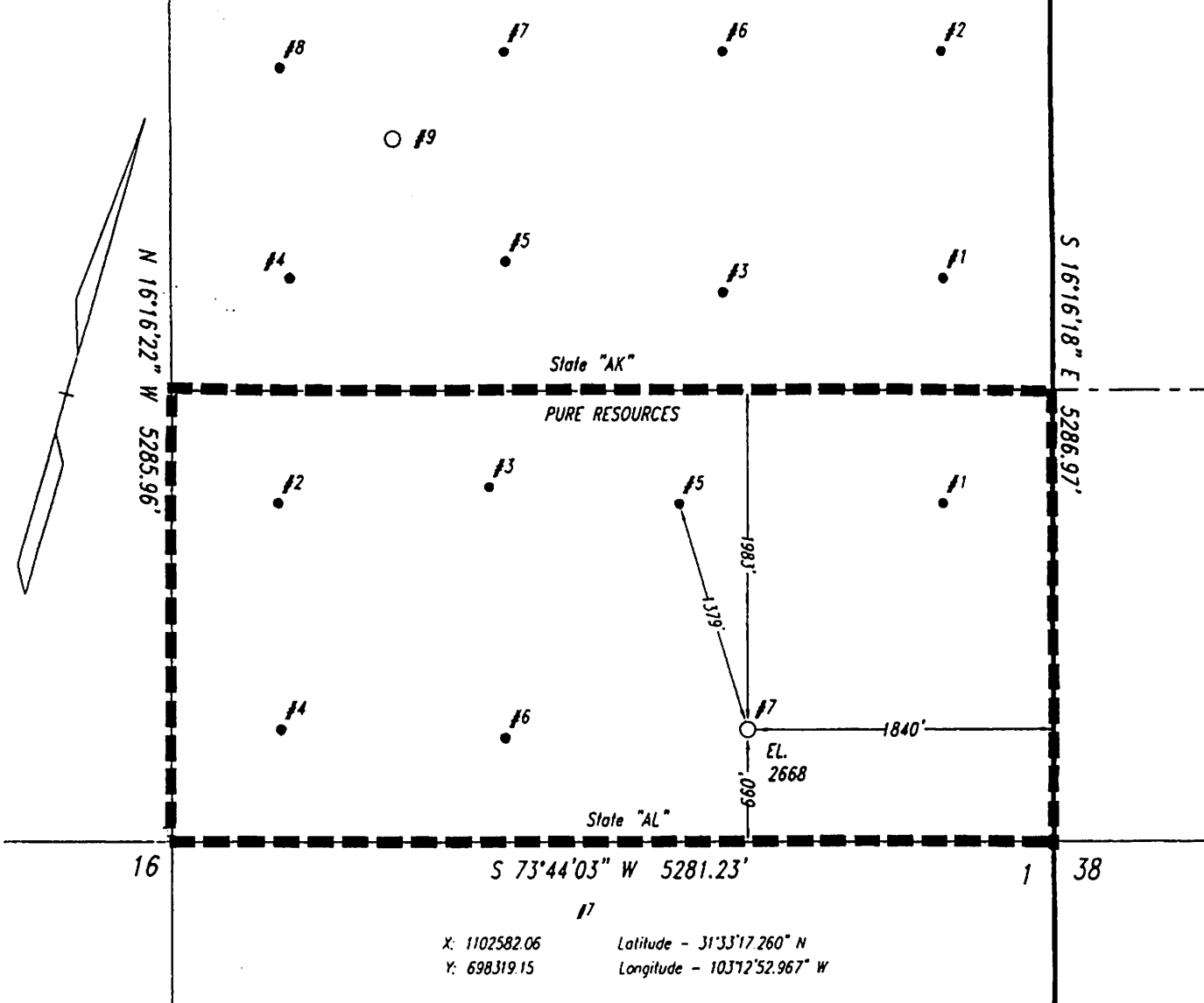
N 73°43'24" E 5281.33'

3 36

15

PURE RESOURCES

2 37



N 16°16'22" W 5285.96'

S 16°16'18" E 5286.97'

State "AK"
PURE RESOURCES

State "AL"

16

S 73°44'03" W 5281.23'

1 38

X: 1102582.06
Y: 698319.15

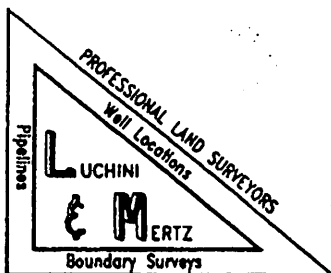
Latitude - 31°33'17.260" N
Longitude - 103°12'52.967" W

Note: Survey Reconstruction filed in the Office of Luchini and Mertz Land Surveying Company.
Note: NAD '27 Coordinates & Latitude/Longitude on well location in Section 2.
Note: Well location is approximately 19.8 miles west of Monahans.

Railroad Commission Permit Plat

PURE RESOURCES LP
State "AL" Lease
S/2 of
Section 2, Block 18,
University Land,
Ward County, Texas

Scale: 1" = 1000'



September 26, 2003

030926P