

API No. <u>42-419-31354</u> Drilling Permit # <u>669301</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>
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1. RRC Operator No. <b>250595</b>	2. Operator's Name (as shown on form P-5, Organization Report) <b>ELLORA OPERATING, L.P.</b>	3. Operator Address (include street, city, state, zip): <b>5665 FLATIRON PARKWAY BOULDER, CO 80301</b>
4. Lease Name <b>MYLIN UNIT</b>		5. Well No. <b>3H</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 checked="" type="checkbox"/> Amended		<input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)		<input type="checkbox"/> Field Transfer	
<input type="checkbox"/> Vertical		<input checked="" 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>6543</b>	9. Do you have the right to develop the minerals under any right-of-way ?		10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)?		
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

<b>SURFACE LOCATION AND ACREAGE INFORMATION</b>					
11. RRC District No. <b>06</b>	12. County <b>SHELBY</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 <u>1.2</u> miles in a <u>NE</u> direction from <u>DREKA</u> which is the nearest town in the county of the well site.					
15. Section	16. Block	17. Survey <b>LATHAM, J</b>		18. Abstract No. <b>A-419</b>	19. Distance to nearest lease line: <b>589</b> ft.
				20. Number of contiguous acres in lease, pooled unit, or unitized tract: <b>732.02</b>	
21. Lease Perpendiculars: <u>508</u> ft from the <u>N</u> line and <u>1613</u> ft from the <u>W</u> line.		22. Survey Perpendiculars: <u>3115</u> ft from the <u>SE(RIVER)</u> line and <u>2501</u> ft from the <u>SW</u> line.			
23. Is this a pooled unit? <input checked="" type="checkbox"/> Yes <input 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	32. Number of Wells on this lease in this Reservoir
06	43940850	HUXLEY (6100)	Gas Well	6340	0.00	1

**BOTTOMHOLE LOCATION INFORMATION** is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)

**Remarks**  
 [FILER Jan 16, 2009 3:08 PM]: RMKS ON W1:\*AMEND FOR COMPLETION:REVISE SURFACE LOCATION & ADD 2 LATERALS. \*RULE 37(LEASE LINE EXCEPTION)NO LONGER APPLICABLE AS WELL PATH COMPLETED AT LEGAL LOCATION. "AS-DRILLED" PLAT. W-1H AND UPDATED P-12(REVISED UNIT ACREAGE TOTAL & TRACT OWNERSHIP)ATTACHED.

**Certificate:**

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

< Mail in Application >      Jan 16, 2009  
 Name of filer      Date submitted

Phone \_\_\_\_\_ E-mail Address (OPTIONAL) \_\_\_\_\_

**RRC Use Only**      Data Validation Time Stamp: Jan 29, 2009 8:24 AM( 'As Approved' Version )

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

**Form W-1H** 07/2004  
Supplemental Horizontal Well Information

Permit Status: **Approved**

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

**APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER**

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A certification of the automated data is available in the RRC's Austin office.*

Permit # **669301**  
Approved Date: **Jan 29, 2009**

1. RRC Operator No. <b>250595</b>	2. Operator's Name (exactly as shown on form P-5, Organization Report) <b>ELLORA OPERATING, L.P.</b>	3. Lease Name <b>MYLIN UNIT</b>	4. Well No. <b>3H</b>
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**Lateral Drainhole Location Information**

5. Field as shown on Form W-1 <b>HUXLEY (6100) (Field # 43940850, RRC District 06)</b>				
6. Section	7. Block	8. Survey <b>DUNN, W H</b>	9. Abstract <b>148</b>	10. County of BHL <b>SHELBY</b>
11. Terminus Lease Line Perpendiculars <b>4004</b> ft. from the <b>N</b> line. and <b>734</b> ft. from the <b>W</b> line				
12. Terminus Survey Line Perpendiculars <b>86</b> ft. from the <b>N(RIVER)</b> line. and <b>1723</b> ft. from the <b>Ext. W</b> line				
13. Penetration Point Lease Line Perpendiculars <b>847</b> ft. from the <b>N</b> line. and <b>605</b> ft. from the <b>W</b> line				

5. Field as shown on Form W-1 <b>HUXLEY (6100) (Field # 43940850, RRC District 06)</b>				
6. Section	7. Block	8. Survey <b>DUNN, W H</b>	9. Abstract <b>148</b>	10. County of BHL <b>SHELBY</b>
11. Terminus Lease Line Perpendiculars <b>2902</b> ft. from the <b>SE</b> line. and <b>699</b> ft. from the <b>W</b> line				
12. Terminus Survey Line Perpendiculars <b>2392</b> ft. from the <b>N(RIVER)</b> line. and <b>931</b> ft. from the <b>SW</b> line				
13. Penetration Point Lease Line Perpendiculars <b>847</b> ft. from the <b>N</b> line. and <b>605</b> ft. from the <b>W</b> line				

5. Field as shown on Form W-1 <b>HUXLEY (6100) (Field # 43940850, RRC District 06)</b>				
6. Section	7. Block	8. Survey <b>DUNN, W H</b>	9. Abstract <b>148</b>	10. County of BHL <b>SHELBY</b>
11. Terminus Lease Line Perpendiculars <b>1279</b> ft. from the <b>SE</b> line. and <b>589</b> ft. from the <b>W</b> line				
12. Terminus Survey Line Perpendiculars <b>4288</b> ft. from the <b>N(RIVER)</b> line. and <b>57</b> ft. from the <b>SW</b> line				
13. Penetration Point Lease Line Perpendiculars <b>847</b> ft. from the <b>N</b> line. and <b>605</b> ft. from the <b>W</b> line				

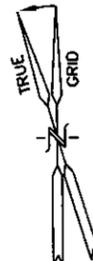
**\*\* NOTES \*\***

This plat does not represent a boundary survey. Acreages shown hereon are deed called or calculated from deeds furnished by others. Monumentation shown hereon was found. Surface Location ties are shown from the Surface Location as proposed. The Bearing Base is "GRID", N.A.D. 83' Datum, Tx. Central Zone, Convergence: +03'17"15".5 at the Surface Location.

- |                          |                                   |
|--------------------------|-----------------------------------|
| 1 - CALLED 13.4305 ACRES | THE PATTERSON FAMILY LIVING TRUST |
| 2 - CALLED 25.79 ACRES   | BETTY McLAUGHLIN, et al           |
| 3 - CALLED 19.40 ACRES   | KELLY O'REAR                      |
| 4 - CALLED 3.48 ACRES    | VIRGINIA HELPINSTILL, et al       |
| 5 - CALLED 20.64 ACRES   | TAYLOR DAVID JOHNSON              |
| 6 - CALLED 54.80 ACRES   | ALEXANDER K. MCRAE                |
| 7 - CALLED 50.61 ACRES   | FRANK E. PARKER, et al            |

N.A.D. 83' DATUM/TEXAS CENTRAL ZONE +03'17"15".5

**\*\* SURFACE LOCATION WELL 3H \*\***  
 N: 10635820.93  
 E: 4280786.67  
 LAT.: 31°41'28".73  
 LONG.: 93°57'01".79



**JOHN LATHAM**  
A-419

ELLORA OPERATING, LP  
O'REAR UNIT 2-H

ELLORA OPERATING, LP  
O'REAR UNIT 1-H

ELLORA OPERATING, LP  
PEARL UNIT

N.A.D. 27' DATUM/TEXAS CENTRAL ZONE

**\*\* SURFACE LOCATION WELL 3H \*\***  
 N: 793236.45  
 E: 3984308.05  
 LAT.: 31°41'28".10  
 LONG.: 93°57'01".10

**\*\* PENETRATION POINT WELL 3H \*\***  
 N: 792974.80  
 E: 3983264.13  
 LAT.: 31°41'26".11  
 LONG.: 93°57'13".34

**\*\* TERMINUS LOCATION 1 \*\***  
 N: 787416.03  
 E: 3983081.73  
 LAT.: 31°40'31".29  
 LONG.: 93°57'19".13

**\*\* TERMINUS LOCATION 2 \*\***  
 N: 785519.50  
 E: 3983027.86  
 LAT.: 31°40'12".58  
 LONG.: 93°57'21".01

**\*\* TERMINUS LOCATION 3 \*\***  
 N: 789427.74  
 E: 3982992.47  
 LAT.: 31°40'51".22  
 LONG.: 93°57'18".83

**WM. PIERPOINT**  
A-558

358.75 ACRE  
PRORATION UNIT

732.0235 ACRE  
DRILLING UNIT

ELLORA OPERATING, LP  
MOURESS UNIT

MYLIN UNIT 3H  
TERMINUS LOCATION 3  
10,348' MD

**T. J. MCKEE**  
A-473

ELLORA OPERATING, LP  
MURPHY SOUTH UNIT

**WM. H. DUNN**  
A-148

NUMBER	DIRECTION	DISTANCE
T1	N 79°44' W	164'
T2	N 76°28' W	282'
T3	N 73°21' W	594'
T4	S 04°21' W	528'
T5	S 02°38' W	798'
T6	S 02°29' W	3228'
T7	S 00°14' W	1537'
T8	S 05°20' W	952'
T9	S 02°13' W	3704'
T10	S 00°44' W	1897'
T11	S 01°14' E	909'
T12	S 05°24' W	791'
T13	S 07°10' W	1362'
T14	S 03°27' W	506'
T15	S 00°12' E	904'

**F. WEAVER**  
A-1176

MYLIN UNIT 3H  
TERMINUS LOCATION 1  
12,344' MD

MYLIN UNIT 3H  
TERMINUS LOCATION 2  
14,246' MD

**WM. ELGIN**  
A-194

**ASA BIGGS**  
A-59

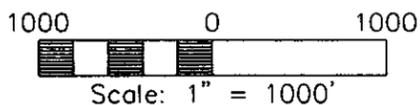
- |                          |                                    |
|--------------------------|------------------------------------|
| 8 - CALLED 115.00 ACRES  | USA - TXNM 115032                  |
| 9 - CALLED 21.56 ACRES   | RUSTY JONES, et al                 |
| 10 - CALLED 12.00 ACRES  | J. T. CANTWELL, et al              |
| 11 - CALLED 13.39 ACRES  | UVA DELL TAMPLIN                   |
| 12 - CALLED 12.50 ACRES  | OZELL CLARK, et al                 |
| 13 - CALLED 12.60 ACRES  | ALMA JONES, et al                  |
| 14 - CALLED 40.280 ACRES | DONALD W. SAMPLE, et al            |
| 15 - CALLED 23.90 ACRES  | RONALD G. SAMPLE, et al            |
| 16 - CALLED 10.503 ACRES | STEPHEN CURTIS CROSBY, et al       |
| 17 - CALLED 1.61 ACRES   | ROGER L. BEATHARD, et al           |
| 18 - CALLED 108.00 ACRES | HOMER R. ROCKHOLD, et al           |
| 19 - CALLED 49.41 ACRES  | MILDRED BENTON, et al              |
| 20 - CALLED 3.60 ACRES   | WINONA PERKINS MARTIN, et al       |
| 21 - CALLED 25.80 ACRES  | GARY DEAN MCKEY, et al             |
| 22 - CALLED 2.06 ACRES   | SHIRLEY REYNOLDS HARRINGTON        |
| 23 - CALLED 1.00 ACRES   | EARL WAGSTAFF, et al               |
| 24 - CALLED 5.00 ACRES   | MARSHALL GARLAND REYNOLDS          |
| 25 - CALLED 12.720 ACRES | FRANCES REYNOLDS BYRD, et al       |
| 26 - CALLED 12.720 ACRES | SHIRLEY REYNOLDS HARRINGTON, et al |
| 27 - CALLED 9.7 ACRES    | DANIEL J. HARRINGTON, et ux        |
| 28 - CALLED 17.52 ACRES  | CHARLES GYNN BRAGG, et al          |
| 29 - CALLED 13.93 ACRES  | RICKIE D. SIMS, et ux              |
| 30 - CALLED 5.23 ACRES   | BILLY F. WHITE, et al              |
| 31 - CALLED 7.81 ACRES   | CLAUSSELLE OWENS, et al            |
| 32 - CALLED 0.44 ACRES   | SHIRLEY SIMS SUTTON, et al         |
| 33 - CALLED 2.61 ACRES   | GREGG BLACKSTOCK                   |
| 34 - CALLED 1.38 ACRES   | ROGER WAGSTAFF, et al              |
| 35 - CALLED 0.30 ACRES   | ROGER WAGSTAFF, et ux              |
| 36 - CALLED 1.00 ACRES   | EARL WAGSTAFF, et al               |
| 37 - CALLED 0.30 ACRES   | DANIEL J. HARRINGTON, et ux        |

732.0235 TOTAL CALLED ACRES IN UNIT & DRILG. UNIT

**AS DRILLED PLAT**  
**ELLORA OPERATING, L.P.**  
**MYLIN UNIT #3H**  
**SHELBY COUNTY, TEXAS**  
**SCALE: 1" = 1000'**

I hereby certify that the contents hereon are true and correct to the best of my knowledge.

Randy M. Verret, Manager-Business & Regulatory Affairs



Surface Location is located  
 Northeast 1.2 miles from Dreka  
 "PATROON NORTH" Quadrangle