

APPLICATION FOR DRILLING (Continued)

HANSON OIL CORPORATION H-M FEDERAL #1

EDDY COUNTY, NEW MEXICO

7. Auxiliary equipment, kelly cocks or floats at the bit will not be used in drilling the subject well. The mud system (pit level) will be monitored visually by the rig crew. A sub with a full opening valve for stabbing into drill pipe when the kelly is not in the string will be available on the drilling mud program.
8. No drillstem test will be taken. Cores are planned from 1900'-2020' in the Delaware Lime and Delaware Sand. GammaRay caliper and Formation Density logs will be run from the base of the surface to total depth.
9. Anticipated bottom hole pressure (open) BHP

Based on offsetting BHP data, the BHP in subject well is anticipated to be approximately 2,400 PSI

10. Anticipated starting date is August 15, 1976, with completion of drilling operations on October 5, 1976. Perforating and stimulating of subject well will be immediately after drilling operations are finished.

**RECEIVED**

**SEP 15 1976**

**O. C. C.  
ARTESIA, OFFICE**