

APPLICATION FOR DRILLING (Continued)

CANDY BUTTE #4

SANDOVAL 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 levels) will be monitored visually by the rig crew. A sub with a full opening valve in good working order for stabbing into the drill pipe will be available on the drilling rig floor.
8. Testing and Logging Program: D.S.T.'s will be taken in the Mesa Verde formation as well conditions dictate. No cores are planned. Gamma-Ray Caliper, Dual Laterlog, Borehole Compensated-Neutron logs will be run at the direction of Geologist.
9. Anticipated bottom hole pressure (BHP): The BHP in subject well is anticipated to be 97# @ 450'. This is equivalent to a pressure gradient of .21 lbs. per foot of depth.
10. The anticipated starting date is February 27, 1980, with completion of drilling operation on March 3, 1980. Stimulating and completion of well would be immediately after drilling operations are finished.