

ATTACHMENT TO FORM 9-331 C
APPLICATION FOR PERMIT TO DRILL

Continental Oil Company, AXI Apache "O" No. 16
790' FNL and 1110' FWL of Section 10, T-25N, R-4W,
Rio Arriba County, New Mexico

1. The geologic name of the surface formation is Cretaceous Sand.
2. The estimated tops of important geologic markers are shown on the attached Proposed Well Plan.
3. The estimated depths at which anticipated water, oil, gas or other mineral-bearing formations to be encountered are shown on attached Proposed Well Plan.
4. The proposed casing program is as follows:

Surface - new 8 5/8" 24# K-55 set at 500'
Production - new 2 7/8" 6.5# J-55 set at 3870'
5. A drawing of an API Series 900 Blowout Preventer Specification is attached. Pipe rams and blinds will be checked to 1,000 PSI for 30 minutes when BOP is installed. BOP will be checked when casing string is set and operated daily for checks.
6. The proposed mud program is as follows:

0-500' Fresh Water,	8.5-9.0 pounds per gallon
500-3870' Fresh Water Gel,	8.5-9.0 pounds per gallon
7. The auxiliary equipment to be used is:
 - (1) Kelly cocks
 - (2) Floats at the bit
8. It is proposed to run SP-IES log from TD to surface, GR CAL FDC from TD to 1900' and PDC logs at selected intervals.
9. No abnormal pressures or temperatures are expected to be encountered in this well.
10. The anticipated starting date for this well is April 25, 1977, with a duration date of approximately 7 days.