

Attachment to "Application for Permit to Drill", Form 9-331 C

Gillully "A" Federal Well No. 16, 840' FNL & 2080' FEL, Section 24,
T-20-S, R-36-E, Lea County, New Mexico

1. Location

See attached Form C-102

2. Elevation

See attached Form C-102

3. Geologic name of surface formation.

Quaternary

4. Type of drilling tools and associated equipment to be utilized.

See Form 9-331 C

5. Proposed drilling depth.

See Form 9-331 C

6. Estimated tops of important geologic markers.

Rustler 1090' Penrose 3390'
Yates 2620' Grayburg 3610'
Seven Rivers 2820'
Queen 3270'

7. Estimated depths at which anticipated water, oil, gas or other mineral-bearing formations are expected to be encountered.

Grayburg 3610'

8. Proposed casing program, including size, grade, and weight of each string and whether it is new or used.

<u>Depth</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>New or Used</u>
1200'	8-5/8"	24#	K-55 ST&C	New
4500'	5-1/2"	14#	K-55 ST&C	New

9. Proposed cementing program.

8-5/8" Casing - Sufficient cement to circulate to surface.
5-1/2" Casing - Sufficient cement to circulate to surface.