

APPLICATION FOR DRILLING

JOHN R. DORR.

Diverse Federal, Well No. 1
900' FSL & 660' FEL, Sec. 13-T26S-R29E
Eddy County, New Mexico
Lease No.: NM-11038
(Development Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, John H. Dorr, submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
2. The estimated tops of geologic markers are as follows:

Base of Rustler	400'
Top of Salt	2,400'
Base of Salt	2,900'
Delaware	3,110'
T. D. Max.	3,300'

3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water in the Triassic between 80' - 230'.

Oil: Possible in the Delaware below 3,110'

Gas: None expected.

4. Proposed Casing Program:

HOLE SIZE	CASING SIZE	WEIGHT	GRADE	JOINT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8 "	24.0#	K-55	ST&C	400'	Circ. 400 sx "C" cement.
7 7/8"	5 1/2"	15.5#	K-55	ST&C	3100'	250 sx of C and additives

Drill out shoe and drill open hole: no casing, 50 - 100' +/- to the top of the Ramsey.

WITNESS

5. Proposed Control Equipment: See Exhibit "E":

BOP Program:.

A 10" 3000 psi wp Cameron Space Saver, double ram BOP, will be installed on the 8 5/8" casing. Casing and BOP will be tested before drilling out with 7 7/8". The BOP will be used as a 2000 psi system and will be tested daily.

6. Mud Program:.	MUD WEIGHT	VIS.	W/L CONTROL
0' - 2300': Fresh water mud	9.3 ppg	33	No W/L control
2300' - 3100': Brine mud:	10.0 ppg	32	No W/L control
3100' - 3300': No mud: Cable tool or air drill.			No W/L control

7. Auxiliary Equipment: Blowout Preventer, gas detector, Kelly cock, pit level monitor, flow sensors and stabbing valve.

8. Testing, Logging, and Coring Program:

Drill Stem Tests: None unless warranted.

Logging: T.D. to 400': Gamma Ray and Sonic

Coring: None planned.