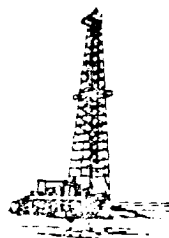


DEPCO, Inc.

Exploration & Production



800 Central
ODESSA, TEXAS 79760

APPLICATION FOR DRILLING

DEPCO, Inc.
No. 1 Exxon Federal Com. - Section 24 - T10S - R29E
Chaves County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill, DEPCO, Inc. submits the following items of pertinent information in accordance with USGS requirements.

1. The estimated tops of geologic markers are as follows:

Yates	1410
San Andres	2655
Glorieta	4025
Tubb	5490
Abo	6345
Wolfcamp	7320
Cisco	8035
Canyon	8340
Atoka	9025
Miss. Lime	9480
TD	9950

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

Water:	Approximately 100 feet or less.
Oil or Gas:	Atoka 9025-9480
	Miss. 9480-9950

3. Proposed Casing Program: See Form 9-331C

4. Pressure Control Equipment: See Form 9331C and Exhibit D.

5. Mud Program: See Form 9-331C and attached letter from Texas Mud & Chemical Co.

6. Auxiliary Equipment: Blowout Preventer, Inside Blowout Preventer, Kelley Cock.

7. Testing, Logging and Coring Programs:

Drill Stem Tests: Atoka - 2
Miss. - 2

10-foot samples from intermediate casing to TD.

Logging: Dual Laterolog and Compensated Neutron/Density
with Gamma Ray and Caliper.

8. No abnormal pressures or temperatures are anticipated.

9. Anticipated starting date: As soon as possible.