

# APPLICATION FOR DRILLING

MESA PETROLEUM CO  
COYOTE FEDERAL #3  
660' FNL & 1980' FEL, SEC 17, T7S, R25E  
CHAVES COUNTY, NEW MEXICO

LEASE NO: NM - 27970

In conjunction with Form 9-331 C, Application for Permit to Drill subject well, the following items of pertinent information are submitted in accordance with U.S.G.S. requirements:

1. The geologic surface formation is Seven Rivers.
2. Estimated tops of geological markers are as follows:

San Andres	480'
Glorieta	1365'
Tubb	2910'
Abo	3570'
Hueco	4275'

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

Water - San Andres at approximately 500' - brackish in this area  
Gas - Abo at approximately 3900'

4. Casing and Blowout Preventer Program

Surface: 550' of 13 3/8", 48#, H40, ST&C casing cemented with 200 sx Class "C" + 2% CaCl around the casing shoe with sufficient additional cement to circulate to surface. Cement will be circulated using conventional methods and/or redimix down the annulus if necessary. Will install flowline, but no BOPs and drill out the cement inside the casing after WOC approximately 8 hours and testing casing to 600 psi for 30 minutes.

Intermediate: 1500' of 8 5/8", 24#, K55, ST&C casing cemented with 200 sacks Class "C" + 2% CaCl.

NOTE: This string may be omitted if conditions are favorable. In any event, a 10" API 3000 psi spool with 2" API 2500 psi ball valve will be installed and then we nipple up 10" API 3000 psi WP double BOP with pipe rams (bottom) and blind rams and test to 600 psi for 30 minutes. Drill 7 7/8" hole to total depth.