

APPLICATION FOR DRILLING

DEPCO, Inc.
No. 1 R & S Federal Com. Section 17-15S-28E
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:

San Andres	1735
Glorieta	3205
Tubb	4520
Abo	5310
Wolfcamp	6485
Cisco	7350
Canyon	7870
Strawn	8370
Atoka	8650
Morrow	8800
Mississippi Ls	8960
TD	9100

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

Water:	Approximately 100 feet or less
Oil and Gas	Cisco 7350-7870
	Morrow 8800-8960

3. Proposed Casing Program: See Form 9-331C
4. Pressure Control Equipment: See Form 9-331C and Exhibit E.
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 Program:

Drill Stem Test:	Cisco	-1
	Morrow	-2

10-foot samples from 6200 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.