

APPLICATION TO DRILL

HUDSON OIL COMPANY OF TEXAS

WARHOL # 1

UNIT "G" SECTION 13

T17S-R31E EDDY CO. NM

12. Testing, Logging and Coring Program:
- A. Open hole logs: Dual laterlog, LDT, SNP CNL, BHCS, Gamma Ray, Caliper from TD back to 4600'.
 - B. Run Gamma Ray, Neutron from 4600' back to surface.
 - C. Place mud logger on hole when Geologist desires to do so.
 - D. DST's will be run as shows dictate.
 - E. Cores may be taken at the discretion of the Geologist.
13. Potential Hazards:
- No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, H₂S detectors will be in place to detect any presence. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used. Estimated BHP 6000 PSI, estimated BHT 295°±.
14. Anticipated Starting Date and Duration of Operation:
- Road and location construction will begin after BLM approval of APD. Anticipated spud date as soon as approved. Drilling expected to take 60 days. If production casing is run an additional 30 days will be required to complete and construct surface facilities.
15. Other Facets of Operations:
- After running casing, cased hole gamma ray neutron collar logs will be run from total depth over possible pay intervals. The M-rrow pay will be perforated and stimulated. The well will be swab tested and potentialized as a gas well.