DEPCO, Inc. 800 Central Odessa, Texas 79761

> Application for Drilling DEPCO, Inc. No. 2 Federal 632 1650' FN & WL, Sec. 4, T-18S, R-29E Eddy County, New Mexico

In conjunction with Form 9-331 C, 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:

2025
2420
2505
2585
2750
2850
2950
3080

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: Queen 2025-2420' Grayburg 2420-2750' San Andres 2850-3250'

3. Proposed casing program: See Form 9-331C.

4. Pressure control equipment: See Form 9-331C and Exhibit D.

5. Mud program: See Form 9-331C and attached letter from Marrs Mud Company.

6. Auxiliary equipment: Blowout preventer, inside blowout preventer, kelley cock.

7. Testing, logging, and coring program:

Logging:Compensated Neutron/Density Formation Density Dual Induction

8. No abnormal pressures or temperatures are anticipated.

9. Anticipated starting date: As soon as possible.