

Premier Production Co.

Alice Federal #2
990' FSL - 1650' FWL
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Premier Production Company submits the following ten items of pertinent information in accordance with USGS requirements:

1. The geologic surface formation is sandy alluvium.
2. The estimate tops of the geologic markers are as follows:

Yates	1080'
Seven Rivers	1355'
Queen	2051'
Grayburg	2370'
TD	2800'

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

water	approximately 200' - 240'
oil	Grayburg 2350' - 2800'

4. Proposed casing program: See Form 9-331C.
5. Pressure control equipment: See Form 9-331C and Exhibit B.
6. Mud Program: See Form 9-331C.
7. Auxiliary equipment: None.
8. Testing, Logging and Coring Program:

Samples: 10' samples caught out from under surface casing to TD.

DST's: As warranted.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated Starting Date: As soon as possible after approval.