

APPLICATION FOR DRILLING

Larue & Muncy
Gates Federal #6

In conjunction with Form 9-331-c, Application for Permit to Drill subject well, Larue & Muncy submits the following ten items of pertinent information in accordance with BLM requirements:

1. The geological surface formation is quaternary.
2. The estimated tops of geologic markers are as follows:
Yates 2050
7 Rivers 2500
Queen 3050
3. The estimated depths at which anticipated water, oil & gas formations are expected to be encountered:
Water 0-180'
Oil and Gas zones listed in item #2
4. Proposed casing program: See 9-331-c
5. Pressure Control Equipment: See 9-331-c and exhibit E.
6. Mud Program: Fresh water in surface hole, brine water to TD
7. Auxiliary Equipment: None
8. Logging Program: CNL/FDC/GR, DLL.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated Starting Date: As soon as possible.