

APPLICATION TO DRILL

W.A. & E.R. HUDSON, INC.
PUCKETT "A" WH # 1
UNIT "L" SECTION 24
T17S-R31E EDDY CO. NM

12. Testing, Logging and Coring Program:

A. Open hole Logs: Dual Latero-log , Compensated Neutron, Gamma Ray, Caliper from TD to 500'. Run gamma Ray back to surface.

B. No DST's , no cores are planned.

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 2150 PSI, estimated BHT 120° .

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 12 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 Grayburg-San Andres pay will be perforated and stimulated. The well will be swab tested and potentialized as an oil well.