

## APPLICATION FOR DRILLING

Beard Oil Company  
Langley Federal Well No. 1  
Section 4-T20S-R23E  
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Beard Oil Company submits the following ten items of pertinent information:

1. The geologic surface formation is Permian-Guadalupe-Grayburg formation.

2. The estimated tops of geologic markers are as follows:

San Andres	317' (+3750')	Canyon	6842' (-2775')
Glorieta	1542' (+2525')	Strawn	7507' (-3440')
Tubb	2935' (+1132')	Atoka	7802' (-3735')
Abo Shale	3617' (+ 450')	Morrow	8187' (-4120')
Wolfcamp	4992' (- 925')	Chester	8317' (-4250')

3. The depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 240'-250'

Oil or Gas: Abo - approximately 3617'-4992'

Atoka-Morrow - approximately 7802'-8317'

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

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

6. Mud program: See Form 9-331C.

7. Auxiliary equipment: Blowout preventer, Inside blowout preventer, Kelley cock.

8. Testing, logging and coring programs:

Drill stem tests will be taken if shows are encountered and hole conditions permit drill stem tests.

Open hole logging: A Dual Induction Laterolog and CNL-Density Log will be run from the base of the intermediate to total depth.

Mud logging: A manned mud logging unit will be on the well from 3500' to total depth.

Coring: No coring is anticipated.

9. No abnormal pressures or temperatures are anticipated.

10. Anticipated starting date: July 15, 1978

Anticipated completion of drilling operations: Approximately 30 days after starting date.