Application For Drilling

Inexco Oil Company

Long Box Unit Well No. 1

Eddy County, New Mexico

In conjunction with permitting the subject well for drilling in Section 30, Township 20 South, Range 24 East, Eddy County, New Mexico, Inexco Oil Company submits the following points of pertinent information in accordance with U.S.G.S. letter of July 1, 1976.

1. The geologic surface formation is Queen.

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

San Andres	350'
Glorieta	1,850'
Upper Abo	4,550'
Lower Abo	4,700'
Wolfcamp Reef	5,250'
Cisco	7,300'
Canyon	7,600'
Strawn	8,150'
Atoka	8,550'
Morrow Lime	8,700'
Mississippian	9,300'

3. The depth at which water, oil or gas is expected to be encountered is:

9,500'

4. Casing Program:

13 3/8", 48#, K-55 New Casing run to 200', cemented with 300 sacks. 8 5/8", 24#, K-55 New Casing run to 2,000', cemented with 1,400 sacks. 5 1/2", 17#, K-55 New Casing run to 9,700', cemented with 350 sacks.

5. Blowout Preventers:

Ram type Series 900 with double hydraulic rams. This is a Schaeffer blowout preventor (Working pressure 3000#, Test pressure 6000#). The fill, kill and choke lines are indicated on the BOP specification sheet.

6. Circulating Medium:

Steel and earthen pits will be used to hold mud and cuttings and the drilling fluid as follows: