

# APPLICATION FOR DRILLING

EAGLE OIL & GAS CO.  
Deer Canyon Federal Comm., Well No. 1  
660' FSL & 2150' FEL, Sec. 27-T20S-R21E  
Eddy County, New Mexico  
Lease No.: NM-39627-A  
(Exploratory Well)

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Eagle Oil & Gas Co. submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is San Andres, which is recent Permian with quaternary alluvium and other surficial deposits.
2. The estimated tops of geologic markers are as follows:

|              |         |                |       |
|--------------|---------|----------------|-------|
| San Andres   | Surface | Atoka          | 7380' |
| Glorietta SS | 1210'   | Morrow         | 7710' |
| Abo          | 3290'   | M-3 Oolite     | 7755' |
| Wolfcamp     | 4380'   | Morrow Ch. S/S | 7860' |
| Cisco        | 5865'   | Chester Shale  | 7930' |
| Canyon Lime  | 6465'   | T.D.           | 8000' |
| Strawn       | 6845'   |                |       |
3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Between 300' to 1210'.

Oil: None expected.

Gas: Cisco between 5600'-6000'.

Morrow between 7710'-7920'.

Morrow Ch. S/S between 7860-7920'
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, gas detector, kelly cock, pit level monitor, flow sensors and stabbing valve.
8. Testing, Logging and Coring Program:

Drill Stem Tests: One possible in the Morrow.

|                              |                   |
|------------------------------|-------------------|
| Logging: Dual Ind. Laterolog | Int. Csg. to T.D. |
| Litho-Density Comp. Nuetron  | Int. Csg. to T.D. |
| Micro Log                    | Int. Csg. To T.D. |

Coring: None.
9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the mud weight.
10. Anticipated starting date: December 26, 1984  
Anticipated completion of drilling operations: Approximately 30 days.