

To supplement USGS Form 3160-3, "Application for Permit to Drill, Deepen or Plugback", the following additional information is submitted to comply with USGS Order NTL-6.

Operator: ARCO Oil and Gas Company

Lease & Well No.: Paton "B" Federal #1

Location: Unit Letter N
Section 9, T18S, R31E
Eddy County, New Mexico
Lease, New Mexico LC-029389-(C)
Development well X Exploratory well

1. See Well location and Acreage Dedication Plat Form C-102.
2. See Form 3160-3 for elevation above sea level of unprepared location.
3. The geologic name of the surface formation is as follows: Querecho Plains
Aeolian material with loose sandy loams and commonly harbor calcareous gravels.
4. The type of drilling tools and associated equipment to be utilized will
be rotary.
5. The proposed drilling depth will be 10,000'.
6. The estimated tops of important geologic markers are as follows:

TOS	690'	Queen	3170'
BOS	2000'	Grayburg	3650'
Yates	2100'	San Andres	4200'
		Bone Springs	5500'

1st Bone Springs Sand	7300'
2nd Bone Springs Carbonate	7500'
2nd Bone Springs Sand	7900'
3rd Bone Springs Carbonate	8600'
3rd Bone Springs Sand	8970'
Wolfcamp	9200'

7. The estimated depths at which anticipated water, oil, gas or other mineral
bearing formations are expected to encounter are as follows:

Grayburg - 3650'; Oil
San Andres - 4200'; Oil
Bone Springs - 5500'; Oil
8. The proposed casing program including the size, grade and weight-per-foot
of each string has been indicated on Form 3160-3. All strings of casing
will be new.
9. See Form 3160-3 for amount of cement.