APPLICATION TO DRILL WOODBINE PETROLEUM, INC. HADSON FEDERAL #1

2,180' FEL AND 760' FSL SECTION 11, T19S, R31E EDDY COUNTY, NEW MEXICO

In conjunction with Form 3160-3, Application for Permit to Drill, Woodbine Petroleum, Inc. submits the following ten items of pertinent information to drill the subject well in accordance with Bureau of Land management requirements.

- 1. The geologic surface formation is cretaceous.
- 2. The estimated tops of geologic markers are:

1. Anhydrite 650'
2. Tansill 2192'
3. Yates 2388'
4. Seven Rivers 2598'

3. The estimated depths at which water, oil or gas-bearing formation are expected:

Water: 300'

Oil & Gas: 2388'-2800' Yates and Seven Rivers

- 4. Proposed casing program: See Form 3160-3
- 5. Pressure control equipment: See Exhibit E
- 6. Mud Program: See Exhibit F
- 7. Anticipated bottom-hole pressure: No abnormal pressures are expected. Hydrogen sulphide gas may be encountered in the Capitan Reef, although none is expected. Appropriate safety precautions will be taken.
- 8. Testing, logging and coring programs:

Drill Stem tests:

No DST's anicipated to be taken

Logging:

Mud loggers will be used from 2300' to TD Wireline Logging program: Compensated neutron, formation density, dual induction

9. Anticipated starting date: As soon as possible.