

APPLICATION TO DRILL  
WOODBINE PETROLEUM, INC.  
HADSON FEDERAL #3

2310' FNL & 2310' FEL  
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 and 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 anticipated to be taken  
  
Logging:  
Mud loggers will be used from 2300' to TD  
Wireline Logging program: Compensated neutron, formation density, dual laterolog, gamma ray, caliper, microlog
9. Anticipated starting date: As soon as possible.