

APPLICATION FOR DRILLING

Ray Westall
Taylor Unit #24
20 FSL & 330 FWL
Section 12
Township 18 South, Range 31 East
Eddy County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill, Ray Westall submits the following ten items of pertinent information in accordance with BLM requirements:

1. The geological surface formation is Quaternary.
2. The estimated tops of geologic markers are as follows:
Base Salt 2110'
Yates 2390'
Queen 3520'
3. The estimated depths at which anticipated water, oil & gas formations are expected to be encountered:
Water 0-180'
Oil & Gas Zones 3520-3600
4. Proposed casing program: See 3160-3
5. Pressure Control Equipment:
A 900s BOP will be installed on the 8 5/8" casing and tested prior to drill out.
6. Mud Program:
Fresh water in surface hole.
Brine in production hole.
7. Auxiliary Equipment: None
8. Logging Program: CNL/FDC/GR, DLL.
9. No abnormal pressures or temperatures are anticipated. Estimated BHP is 2100#,
Estimated BHT is 110 F.
10. Anticipated Starting date: 01/01/01
Duration: 7 Days drilling
5 Days completion