APPLICATION TO DRILL WOODBINE PETROLEUM, INC. LOWE FEDERAL WELL #1

1980' FNL AND 760' FEL SECTION 31, T20S, R30E 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:

Delaware 3774'

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

Water: 300 feet Oil & Gas: Delaware 3774'

- 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: Wireline Logging program: Compensated neutron, gamma ray.

9. Anticipated starting date: As soon as possible.