

SUPPLEMENT USGS FORM 9-331C "APPLICATION FOR
PERMIT TO DRILL, DEEPEN OR PLUG BACK."
THE FOLLOWING ADDITIONAL INFORMATION IS SUBMITTED:

OPERATOR: COTTON PETROLEUM CORPORATION
LEASE & WELL NO: FEDERAL 24, WELL #1
LOCATION: 660' FS&EL, Sec. 24, T-21-S,
R-23-E, EDDY COUNTY, NEW MEXICO

1. 660' FS&EL, Section 24, T-21-S, R-23-E, Eddy County, New Mexico
2. 3796 GR
3. The geologic name of the surface formation is: Permian Guadalupian
4. Rotary
5. 7700'
6. Estimated tops of important geologic markers are:

| | |
|--------------|-------|
| San Andres | 470' |
| Glorieta | 2025' |
| Bone Springs | 2985' |
| 3rd Sand | 5875' |
| Wolfcamp | 6335' |
| Canyon Reef | 7350' |
7. The estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are:

| | |
|-------------|-------|
| San Andres | 470' |
| Canyon Reef | 7350' |
8. The proposed casing program including the size, grade and weight per foot of each string has been indicated on Form 9-331C. All strings of casing will be new.
9. See Form 9-331C for amount of cement.
Surface: 375 sx C1 "C" w/2% Calcium Chloride
Intermediate: 150 sx Thixset w/10# Gilsonite & 2% Ca Cl,
 470 sx Lite w/5# Gilsonite .25# Flocele & 5# Salt
 200 sx C1 "C" w/2% Ca Cl
Production: 957 sx C1 "H" w/.5% C CFR-2 and 3# KCL
10. The Pressure Control Diagram is attached to Form 9-331C. The following additional information of the pressure control equipment is provided:
Size -10" - 900 series - double hydraulic pipe and blind rams
Pressure ratings - 3000# WP, 5000# TP
Testing Procedures - Pressure up to 1500# psig before drilling out of casing
Testing Frequency - Upon installation and daily