APPLICATION TO DRILL

POGO PROCUCING COMPANY LOST TANK "33" FEDERAL #5 1980' FSL & 1980' FEL SEC.33 T215-R31E EDDY CO. NM

Testing, Logging and Coring Program: 12.

- A. Mud logger will be put on after intermediate casing is run 3945±.
- B. DST'S and cores will be take as shows dictate.
- C. Open hole logs: Dual-Induction, Gamma Ray, Caliper, CNL-Density.

Potential Hazards: 13.

188 E 2220 E 2000

No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, H2S detectors will be in place to detect any presence. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used. Estimated BHP 3500 PSI, estimated BHT 185°

Anticipated Starting Date and Duration of Operation: 14.

Road and location construction will begin after BLM approval of APD. Anticipated spud date as soon as approved. Drilling expected to take 25 days. If production casing is run an additional 30 days to complete and construct surface facility and place well on production.

15. Other Facets of Operations:

After running casing, cased hole gamma ray neutron collar logs will be run from total depth over possible pay intervals. The Bone Spring (upper) pay will be perforated and stimulated. The well will be swab tested and potentialed as a gas well.

CONFIDENTIAL