APPLICATION FOR DRILLING

FUEL PRODUCTS, INC. Aspen Federal, Well No. 1 1980' FNL & 990' FWL, Sec. 4-T24S-R26E Eddy County, New Mexico Lease No.: NM-90514 (Exploratory Well Re-entry)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Manzano Oil Corporation submits the following items of pertinent information in accordance with BLM requirements:

- 1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
- 2. The estimated tops of geologic markers are as follows:

| Delaware Lime | 1584' | Bone Spring Sand | 5322' |
|---------------|-------|------------------|-------|
| Delaware Sand | 1795' | T.D. | 5350' |
| Cherry Canyon | 2758' | | |
| Brushy Canyon | 3110' | | |

3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water is behind cemented casing. Water possible in Delaware from 1680-1690', if perforations are open.

Oil: Possible in the Brushy Canyon Delaware below 3110'.

Gas: None expected.

- 4. Proposed Casing Program: See Form 3160-3 for existing casing.
- 5. Proposed Control Equipment: See Form 3160-3 and Exhibit "E".
- 6. Mud Program: See Form 3160-3.
- 7. Auxiliary Equipment: Blowout Preventer.
- 8. Testing, Logging, and Coring Program:

Drill Stem Tests: None.

Logging: Collar locator Gamma Ray: Surface and intermediate casing.

Coring: None planned.

- 9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the mud weight. Estimated: BHP = 2500 psi, BH temp. = 107°
- 10. H_2S : None expected based on previous drilling information of the well.
- 11. Anticipated starting date: June 15, 1993. Anticipated completion of drilling operations: Approx. 3 weeks