Attachment to "Application for Permit to Drill", Form 9-331 C

Federal AI Com. #1 1980' FSL x 1980' FEL, Sec. 34, T-24-S, R-28-E Eddy County, NM

1. Location

See attached Form C-102

2. Elevation

See attached Form C-102

3. Geologic name of surface formation.

Permian

4. Type of drilling tools and associated equipment to be utilized.

See Form 9-331 C

5. Proposed drilling depth.

See Form 9-331 C

6. Estimated tops of important geologic markers.

Delaware 2500' Bone Springs 6350' Strawn 11700' Atoka 11900'

Bone Springs 6350 Wolfcamp 9900'

Mid Morrow 12700'

7. Estimated depths at which anticipated water, oil, gas or other mineral-bearing formations are expected to be encountered.

Delaware 2500'

Strawn 11700'

Bone Springs 6350'

Atoka 11900'

Wolfcamp 9900'

Mid Morrow 12700'

8. Proposed casing program, including size, grade, and weight of each string and whether it is new or used.

<u>Depth</u>	<u>Size</u>	Weight	Grade	New or Used
400'	20"	94#	K-55	New
2500'	13-3/8"	48#	H-40	New
10000'	9-5/8"	40#	K-55	New
12400'	7-5/8"	26.4#	K-55	New
13500'	4-1/2"	9.5#	K-55	New

9. Proposed cementing program.

20" - Circulate to surface 13-3/8" - Circulate to surface 9-5/8" - Tie back to 13-3/8" 7-5/8" - Tie back to 9-5/8"

4-1/2" - Tie back to 7-5/8"