

# APPLICATION FOR DRILLING

Belco Petroleum Corporation  
James Ranch #14  
1980' FWL & 100' FSL, Sec 6 (SL)  
T-23-S, R-31-E  
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Belco Petroleum Corporation submits the following ten items of pertinent information in accordance with USGS requirements:

1. The geologic surface formation is Alluvium, mainly sand dunes.
2. The estimated tops of geologic markers are as follows:

Delaware	3930'
Bone Springs	7750'
Wolfcamp	11080'
Strawn	12640'
Atoka	12960'
Morrow	13820'

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

Water	-	Approximately 245 feet
Oil or gas	-	Strawn: 11000 to 12900'
		Atoka-Morrow: 12900' to 14500'

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C.
6. Mud Program: See Form 9-331C.
7. Auxillary Equipment: See Exhibit "D".
8. Testing, Logging and Coring Programs:

Drill stem tests (as needed) in Wolfcamp, Atoka & Morrow

Logging: Mud logging unit from 4000' to TD.  
Electric Log Program at 11950' & at TD:  
a. Neutron Porosity Log  
b. Dual Induction Laterolog  
c. Proximity Log-Microlog

9. Abnormal pressures are anticipated below 11950'.
10. Anticipated starting date: As soon as possible.