

APPLICATION FOR DRILLING
PACIFIC ENTERPRISES OIL COMPANY (USA)
PEOC FEDERAL COMM 21 NO. 1
1980' FNL & 660' FWL, SEC 21 - T23S - R26E
EDDY COUNTY, NEW MEXICO

In conjunction with Form 3160-3, Application for Permit to drill the subject well, Pacific Enterprises Oil Company (USA) submits the following ten items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is a gently sloping land form dominated by the clay and silt separates.
2. The estimated tops of geologic marker are as follows:

Delaware Sand	1885'	Strawn	10,430'
Cherry Canyon	2610'	Atoka	10,725'
Bone Spring	5235'	Morrow	11,400'
Wolfcamp	8635'		
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Fresh water from 100' to 350'

Oil & Gas: Strawn 10,430' (gas), Morrow 11,400' (gas)
4. Proposed Casing and Cementing Program: See Form 3160-3.
5. Pressure Control Equipment: See Form 3160-3 and Exhibit E.
6. Mud Program: See Form 3160-3.
7. Auxiliary Equipment: Blowout preventor with accumulator, gas detector, pit level monitor, flow sensors. Upper and lower kelly cock and TIW valve.
8. Testing, Logging and Coring Programs:
 - a) Cores: none planned.
 - b) Drill Stem Tests: Two possible in the Strawn & Morrow formations.
 - c) Open hole logs:

Gamma Ray - Neutron log	TD - Surface
DIL, FDC, caliper	TD - SCP
9. No abnormal pressures or temperatures are anticipated. Morrow reservoir pressure expected to be 4900 psi or 8.3 ppg, equivalent mud weight. The proposed mud program will be modified to increase the weight in the event abnormal pressures are encountered.
10. Anticipated starting date: Around June 10, 1990. Drilling time will be approximately 40 days.