

## APPLICATION TO DRILL

MARALO LLC.  
 GOLD RUSH "31" FEDERAL # 4  
 UNIT "G" SECTION 31  
 T23S-R30E EDDY CO. NM

In response to questions asked under Section II B of Bulletin NTL-6 the following information is provided for your consideration:

1. Location: 1650' FNL & 1750' FEL SEC. 31 T23S=R30E EDDY CO.
2. Elevation above sea level: 3112' GR.
3. Geologic name of surface formation: Quaternary Aeolian deposits.
4. Drilling tools and associated equipment: Conventional rotary drilling rig using fluid as a circulating medium for solids removal.
5. Proposed drilling depth: 7450'
6. Estimated tops of geological markers:

Lamar	3290'	Brushy Canyon	6350'
Bell Canyon	4280'	Bone Spring	7080'
Cherry Canyon	5780'	Avalon Sand	7190'
7. Possible mineral bearing formation:

Brushy Canyon	Oil
Bone Spring	Oil
Avalon Sand	Oil
8. Casing program:

<u>Hole size</u>	<u>Interval</u>	<u>OD casing</u>	<u>Weight</u>	<u>Thread</u>	<u>Collar</u>	<u>Grade</u>
25"	0-40	20"	NA	NA	NA	Conductor
17½"	0-650'	13 3/8"	54.5	8-R	ST&C	J-55
12½"	0-3100'	8 5/8"	32	8-R	ST&C	J-55
7 7/8"	0-7450'	5½"	15.5	8-R	LT&C	J-55