

APPLICATION FOR DRILLING

SUPERIOR OIL
DELTA FEDERAL WELL #1
1980' FN&EL SEC. 7, T25S, R26E
EDDY COUNTY, NEW MEXICO

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

1. The geologic surface formation is Permian.
2. The estimated tops of geologic markers are as follows:

Delware	1520'
Bone Spring	5250'
Wolfcamp	8350'
Pennsylvanian	10,050'
Atoka	10,470'
Morrow	11,350'

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

Water:	Approximately 300' to 500'
	Capitan Reef above 1520'
Gas:	Atoka - Morrow 10,470-11,900'

4. Proposed casing program: See Form 9-331C and Exhibit F.
5. Pressure control equipment: See Form 9-331C and Exhibit E.
6. Mud Program: See Exhibit G.
7. Auxiliary equipment: See Exhibit H.
8. Testing, logging and coring programs:

- A. Drill stem tests in Morrow near TD (All Dst's to be justified by a valid show of oil or gas):

Morrow: 11,500'

- B. Logging:

Mud logging unit from 1570' \pm to TD

Electric log program:

500' - 1570' \pm GR-BHC
1570' \pm - 12500' TD FDC-CNL, GR-BHC &
DLL-MSFL

9. Abnormal pressure is anticipated in the Atoka: 10,470 - 11,350'.
No abnormal temperature.
10. Anticipated starting date: January 15, 1980.