

APPLICATION TO DRILL

POGO PRODUCING COMPANY
PATTON "18" FEDERAL # 1
UNIT "B" SECTION 18
T24S-R31E EDDY CO. NM

12. LOGGING, CORING, & TESTING PROGRAM:

1. Open hole logs: Run one, Dual INduction, CNL, LDT, Gamma Ray, Caliper from 12,500' to 4250' Gamma Ray, Neutron from 4250' to surface.
Run #2 Dual Induction CNL, LDT, SNP GAMMA Ray, CALiper from TD back to 12,500'.
2. Mud logger will be placed on hole at 4250' and remain on hole to TD.
3. DST's and cores will be taken as the Geologists deem it necessary.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. There is no known presence of H²S in this area. If H²S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 6500 PSI, and Estimated BHT 205°.

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operation and drilling is expected to take 65 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flowlines in order to place well on production.

15. OTHER FACETS OF OPERATIONS:

After running casing, cased hole Gamma Ray, Neutron Collar logs will be run from TD back to all possible productive zones. The Wolfcamp formation will be perforated and stimulated in order to establish production. The well will be swab tested and potentialized as a gas well.