

APPLICATION FOR DRILLING

HARVARD PETROLEUM CORPORATION

James Federal, Well No. 1
810' FSL & 1830 FEL, Sec. 29-T23S-R32E
Lea County, New Mexico
Lease No.: NM-0559539
(Exploratory Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Harvard Petroleum Corporation submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
2. The estimated tops of geologic markers are as follows:

Rustler	1120'	Ford SH	4810'
Top/Salado	1470'	Olds SD	4859'
Delaware	4763'	T.D.	5100"
3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water between 100' - 350'.

Oil: Possible in the Delaware below 4763'.

Gas: None.
4. Proposed Casing Program: See Form 3160-3.
5. Proposed Control Equipment: See Form 3160-3 and Exhibit "E".
6. Mud Program: See Form 3160-3.
7. Auxiliary Equipment: Blowout Preventer, gas detector, Kelly cock, pit level monitor, flow sensors and stabbing valve.
8. Testing, Logging, and Coring Program:

Drill Stem Tests: None.

Logging: T.D. to surface casing: CNL-LDT, DLL and Gamma Ray

Coring: None.
9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the mud weight.
10. Anticipated starting date: January 18, 1992.
Anticipated completion of drilling operations: Approximately 30 days.

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