SOTOL FEDERAL #1

The following information is furnished with the Application to Drill (Re-enter), Form 9-331-C, in compliance with NTL-6, effective July 1, 1976.

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

| Surface |
|---------|
| 42301 |
| 8100' |
| 11600' |
| 13300' |
| 13450' |
| |

3. The depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

Water: Less than 500'

Capitan Reef above 4230'

Gas: Atoka at 13450'-14074'

- 4. For proposed casing program, please see Exhibit "A".
- 5. For proposed specifications for pressure control equipment, please see Exhibit "B".
- 6. For proposed drilling fluids outline, please see Exhibit "C".
- 7. Auxiliary equipment is listed in Exhibit "D" (Rig specifications).
- 8. No testing, logging, or coring will be done on this well. Cased hole logs will be correllated to open hole logs dated 1-31-81.
- 9. Abnormal pressures are anticipated in the Atoka formation at 13450'-14074': No abnormal temperatures or potential hazards are expected.
- 10. The anticipated starting date for this well is January 25, 1987.