

APPLICATION FOR DRILLING

RAULT PETROLEUM CORPORATION
Grace Federal, Well No. 1
660' FSL & 1980' FWL, Sec. 30-T2S-R21E
DeBaca County, New Mexico
Lease No.: NM-36379
(Exploratory Well)

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Rault Petroleum Corporation submits the following items of pertinent information in accordance with MMS requirements:

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

San Andres	92'	Abo	2662'
Glorieta	612'	Hueco	3262'
Yeso	832'	T. D.	3300'
Tubb	2232'		
3. The estimated depth at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 250 - 300 feet for surface water.

Oil: None expected.

Gas: Approximately 2700' to 3000' in the Abo.
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit "E".
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly cock, pit level monitor and flow sensor equipment, blowout preventer.
8. Testing Logging and Coring Program:

Samples: Surface casing to TD.

Drill Stem Tests: None planned.

Coring: None planned.

Logging: Gamma/Neutron Density Porosity Log 1600' to TD.
Gamma/Dual Laterolog 8 1600' to TD.
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: April 1, 1982.
Anticipated completion of drilling operations: Approximately two weeks.