

APPLICATION FOR DRILLING

Texas Oil & Gas Corp.  
Coquina Federal Com. Well No. 1  
710' FNL and 2330' FWL  
Section 32-T18S-R27E  
Eddy County, New Mexico

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

1. The geologic surface formation is alluvium and bolson deposits.
2. The estimated tops of geologic markers are as follows:

Yates	600'	Wolfcamp	7100'
San Andres	1600'	Strawn	8350'
Glorieta	3100'	Atoka	9000'
Bone Spring	3650'	Morrow	9300'
Third Bone Spring		Barnett	9550'
Sandstone	6900'		

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

Water: Approximately 200 feet.

Oil or Gas: Strawn at approximately 8350' to 8600'.

Atoka at approximately 9000' to 9200'.

Morrow at approximately 9300' to 9600'.

4. Proposed casing program: See Form 9-331C.
5. Pressure control equipment: See Exhibit D.
6. Mud program: See Form 9-331C.
7. Auxiliary equipment: Ram type blowout preventer, annular and rotating type blowout preventers, Kelley cock.
8. Testing, logging and coring programs:
  - Electric Logging: GR/CNL: TD - Surf
  - Comp. Density & DLL/RXO: TD - Intermediate csg.
  - Logging: Mud logging from top Bone Spring (3650') to TD
  - Coring: None
  - Drill stem tests: Strawn - 1 Morrow - 2
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible.