

APPLICATION FOR PERMIT TO DRILL
 BARBARA FASKEN
 SKELLY FEDERAL NO. 2
 1604' FNL & 1912' FWL
 SEC. 9, T21S, R24E

In conjunction with Form 3160-3, Application for Permit to Drill, Barbara Fasken submits the following items of pertinent information in accordance with Onshore Oil & Gas Order Nos. 1 & 2, and with all other applicable federal and state regulations.

1. The geologic surface formation is of Permian Age.
2. Estimated tops of geologic markers are as follows:

Grayburg	665'	Cisco-Canyon	8041'
San Andres	— 1185'	Strawn	8721'
Glorietta	2820'	Atoka	9320'
Abo	5060'	Morrow	9650'
Wolfcamp	6928'		

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

* - Water:			
** - Oil or gas:	Bonesprings	6500' -	7300'
	Wolfcamp	7300' -	8000'
	Cisco-Canyon	8000' -	8700'
	Strawn	8700' -	9300'
	Atoka	9300' -	9600'
	Morrow	9650' -	10,100'

* Groundwater to be protected by 13-3/8" surface casing with cement circulated to the surface.

** Potentially productive horizons to be protected by 4-1/2" production casing with cement tied back to approximately 6500'.

4. Proposed Casing Program: See Form 3160-3 and Exhibit F.
5. Pressure Control Equipment: See Exhibit E.
6. Mud Program: See Exhibit G.
7. Auxiliary Equipment: Upper Kelly Cock, Full Opening Stabbing Valve, Flow Sensor and PVT.
8. Testing, Logging and Coring Programs:
 - DST's: 2 in Morrow
DST any mudlog shows
 - Logging: 2-man Mudlogging unit from 6000' to T.D.