APPLICATION TO DRILL

POGO PRODUCING COMPANY
FEDERAL "26" # 8
UNIT "H" SECTION 26
T22S-R31E LEA CO. NM

12. Testing, Logging and Coring Program:

- A. Open hole logs: Run Dual-Induction, CNL, Gamma Ray, Caliper from TD. to 4300'.
- B. Run Gamma Ray Neutron from 4300' to surface.
- C. Will rig up mud lagger on hole at 4300' to TD.
- D. No DST's or cores are planned at this time.

13. Potential Hazards:

No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, H_2S detectors will be in place to detect any presence. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used. Estimated BHP 3800 PSI, estimated BHT 138° .

14. Anticipated Starting Date and Duration of Operation:

Road and location construction will begin after BLM approval of APD.

Anticipated spud date as soon as approved. Drilling expected to take

25 days. If production casing is run an additional 30 days will
be required to complete and construct surface facilities.

15. Other Facets of Operations:

After running casing, cased hole gamma ray neutron collar logs will be run from total depth over possible pay intervals. The Delaware pay will be perforated and stimulated. The well will be swab tested and potentialed as an oil well.