## APPLICATION FOR DRILLING

DEPCO, Inc.
No. 1 Sundance Federal - Section 3 - T12S - R30E
Chaves County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill, DEPCO, Inc. submits the following items of pertinent information in accordance with USGS requirements.

1. The estimated tops of geologic markers are as follows:

2,650
4,060
5,500
6,330
7,400
8,130
8,520
9,020
9,380
9,590
9,690
9,950

2. The depths at which anticipated water, oil or gas formations are expected to be encountered.

Water: Approximately 100 feet or less.

0il or Gas: Abo 6,330-7,400
Atoka 9,380-9,590
Morrow 9,590-9,690
Mississippi Ls. 9,690-9,950

- 3. Proposed Casing Program: See Form 9-331C.
- 4. Pressure Control Equipment: See Form 9-331C and Exhibit E.
- 5. Mud Program: See Form 9-331C and attached letter from Texas Mud & Chemical Co.
- 6. Auxiliary Equipment: Blowout Preventer, Inside Blowout Preventer, Kelley Cock.
- 7. Testing, Logging and Coring Program:

Drill Stem Tests: Abo - 1
Atoka - 2
Morrow - 1
Miss. Ls. - 1

10-foot samples from surface casing to TD.

Logging: Dual Laterolog and Compensated Neutron/Density with Gamma Ray and Caliper.

- 8. No abnormal pressures or temperatures are anticipated.
- Anticipated starting date: As soon as possible.

OIL CONSTRIVATION COMM.