

APPLICATION FOR DRILLING

MANZANO OIL CORPORATION
Sun Pearl Federal, Well No. 4
2310' FNL & 330' FEL, Sec. 28-T19S-R34E
Lea County, New Mexico
Lease No.: NM-56749
(Development Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Manzano Oil Corporation submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
2. The estimated tops of geologic markers are as follows:

Rustler	1720'	Queen	4495'
Top/Salt	1855'	Penrose	4798'
Tansill	3308'	T. D.	5150'
Yates	3540'		
Seven Rivers	3845'		
3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water between 100' - 350'.

Gas: Possible in the Yates below 3594'.

Oil: Possible in the Seven Rivers and the Queen.
4. Proposed Casing Program: See Form 3160-3.
5. Proposed Control Equipment: See Form 3160-3 and Exhibit "E".
6. Mud Program: See Form 3160-3.
7. Auxiliary Equipment: Blowout Preventer, gas detector, Kelly cock, pit level monitor, flow sensors and stabbing valve.
8. Testing, Logging, and Coring Program:

Drill Stem Tests: None planned.

Logging: Gamma Ray:	Surf. Csg. to T.D.
DLL-MSFL, CNL-LTD	Below 8 5/8" to T.D.

Coring: None planned.
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: October 25, 1990.
Anticipated completion of drilling operations: Approximately 3 weeks.

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OCT 25 1990

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