

APPLICATION FOR DRILLING

MANZANO OIL CORPORATION  
Anadarko Federal, Well No. 1  
1980' FSL & 330' FEL, Sec. 15-T18S-R32E  
Lea County, New Mexico  
Lease No.: NM-17807  
(Exploratory 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	1145'
Base salt	2495'
Tansill	2495'
Grayburg	4517'
Delaware	4825'
T.D.	6825'
3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water: Between 100' - 300'.

Oil: Possible in the Delaware.

Gas: None expected.
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-FDC:	Below 8 5/8" to T.D.

Coring: Twenty (20) side wall cores 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: January 6, 1992.  
Anticipated completion of drilling operations: Approx. 3 weeks.