

# APPLICATION TO DRILL

Maralo, Inc.  
West Corbin "13" Federal Well #1  
Sec. 13, T18S-R32E  
Lea County, New Mexico

In response to questions asked under Section II B of Bulletin NTL-6 the following information is provided for your consideration:

1. Location: 660' FEL, & 660' FSL Section 13, T18S-R32E, Lea County, New Mexico
2. Elevation Above Sea Level: 3833' GL
3. Geologic Name of Surface Formation: Pleistocene Aeolian deposit
4. Drilling Tools and Associated Equipment: Conventional rotary drilling rig using mud for the circulation medium.
5. Proposed Drilling Depth: 11,450'
6. Estimated Geological Marker Tops:

Rustler	1270'	1st Bone Springs Sands	8400'
Yates	2470'	2nd Bone Springs Sands	9100'
Queen	4030'	3rd Bone Springs Sands	9870'
Grayburg Sands	4950'	Wolfcamp	10200'
Delaware	5800'	Penn Shale	11300'
Bone Springs	6900'		
7. Mineral Bearing Formation: Water bearing-none; Oil bearing-Yates, Queen, Delaware, Bone Springs, Wolfcamp
8. Casing Program:
  - (A) Surface casing - 13 3/8" 54.5#
  - (B) Intermediate casing - 8 5/8" 32#
  - (C) Production casing - 5 1/2" 17# & 20#
9. Setting depth of casing and cement for same:
  - (A) 13 3/8" 54.5# casing set @ 450' cement with 500 sx circulate cement to surface.
  - (B) 8 5/8" 32# casing set @ 4500' cement with 1750 sx circulate cement to surface.
  - (C) 5 1/2" 17# casing set @ 11450' cement with 1000 sx 25% excess top cement to be 4400'+