

Attachment to "Application for Permit to Drill" Form 9-331 C

Gillully "B" Federal #16, Unit M, 660' FSL and 660' FWL, Section
22, Township 20 South, Range 37 East, Lea County, New Mexico

1. Location (See Attached Form C-102)

2. Elevation (See Attached Form C-102)

3. Geologic name of surface formation

Unknown

4. Type of drilling tools and associated equipment to be utilized.
(See Form 9-331 C)

5. Proposed drilling depth. (See Form 9-331 C)

6. Estimated tops of important geologic markers.

Rustler	1246	Grayburg	3720
Yates	2680	San Andres	3950
Seven Rivers	2940		
Queen	3440		
Penrose	3550		

7. Estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered.

Yates	2680
Seven Rivers	2940
Queen	3440
Penrose	3550
Grayburg	3720

8. Proposed casing program including size, grade, and weight of each string and whether it is new or used. (See Form 9-331 C)

9. Proposed setting depth of each casing string and the amount and type of cement (including additives) to be used. (See Form 9-331 C)