

APPLICATION TO DRILL

NCHO RESOURCES, INC..
TOMCAT "21" FEDERAL # 8
UNIT "I" SECTION 21
T23S-R32E LEA CO. NM

12. Testing, Logging and Coring Program:

- A. Open hole logs will be run. Dual Induction , Density, compensat Neutron, Gamma Ray, Caliper. from TD to 4900'. Neutron Gamma Ra from 4900' to surface.
- B. Two man mud logging unit will be on hole from 4700' to TD.
- C. Side wall cores may be taken at the request of Geologist.

13. Potential Hazards:

No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, H₂S detectors will be in place to detect any presence. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used. Estimated BHP 4500 PSI, estimated BHT 170° .

14. Anticipated Starting Date and Duration of Operation:

Road and location construction will begin after BLM approval of APD. Anticipated spud date as soon as approved. Drilling expected to take 30 days. If production casing is run an additional 30 days will be required to complete and construct surface facilities.

15. Other Facets of Operations:

After running casing, cased hole gamma ray neutron collar logs will be run from total depth over possible pay intervals.. The Bone Spring pay will be perforated and stimulated. The well will be swab tested and potential as an Oil well.