

APPLICATION FOR DRILLING

BRECK OIL CORP.
Meyer "33" Federal, Well No.1
1100' FSL & 660' FEL, Sec. 33-T22S-R36E
Lea County, New Mexico
Lease No.: LC-030133B
(Development Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Breck Oil Corp. 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:

Red Beds	400'
Top of Salt	1472'
Base of Salt	3042'
Yates	3191'
T.D.	3600'

3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water between 100' - 350'.

Oil: Possible in the Yates below 3200' and the Queen below 3400'.

Gas: Possible in the Yates below 3200.

4. Proposed Casing Program:

HOLE SIZE	CASING SIZE	WEIGHT	GRADE	JOINT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8 "	24.0#	J-55	ST&C	450' 1375'	Circ. 375 sx "C" cement.
7 7/8"	5 1/2"	15.5#	J-55	ST&C	3400'	420 sx of C and additives

WITNESS

5. Proposed Control Equipment: A 10" 3000 psi wp Shaffer Type "E" double hydraulic ram BOP will be installed on the 9 5/8" casing. Casing and BOP will be tested before drilling out with 12 1/4" and will be tested daily. See Exhibit "E".

6. MUD PROGRAM:	MUD WEIGHT	VIS.	W/L CONTROL
0' - 450': Fresh water mud	8.4 - 9.0 ppg	32	No W/L control
450' - 2800': Brine mud:	10.0 ppg	29	No W/L control
2800' - 3600': Brine mud:	10.0 ppg	30-32	W/L control 20-30CC +/-

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 unless warranted.

Logging: Gamma Ray/neutron: T.D. to surface.

Platform Express DLL-Dens-NEU.: T.D. to 8 5/8" Casing.

Coring: None planned.

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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. Estimated evacuated hole BHP = 1440 psi with temperature of 96°.
- 10 H₂S: None expected based on previously drilled wells.
11. Anticipated starting date: May 1, 2001.
Anticipated completion of drilling operations: Approx. 3 weeks.

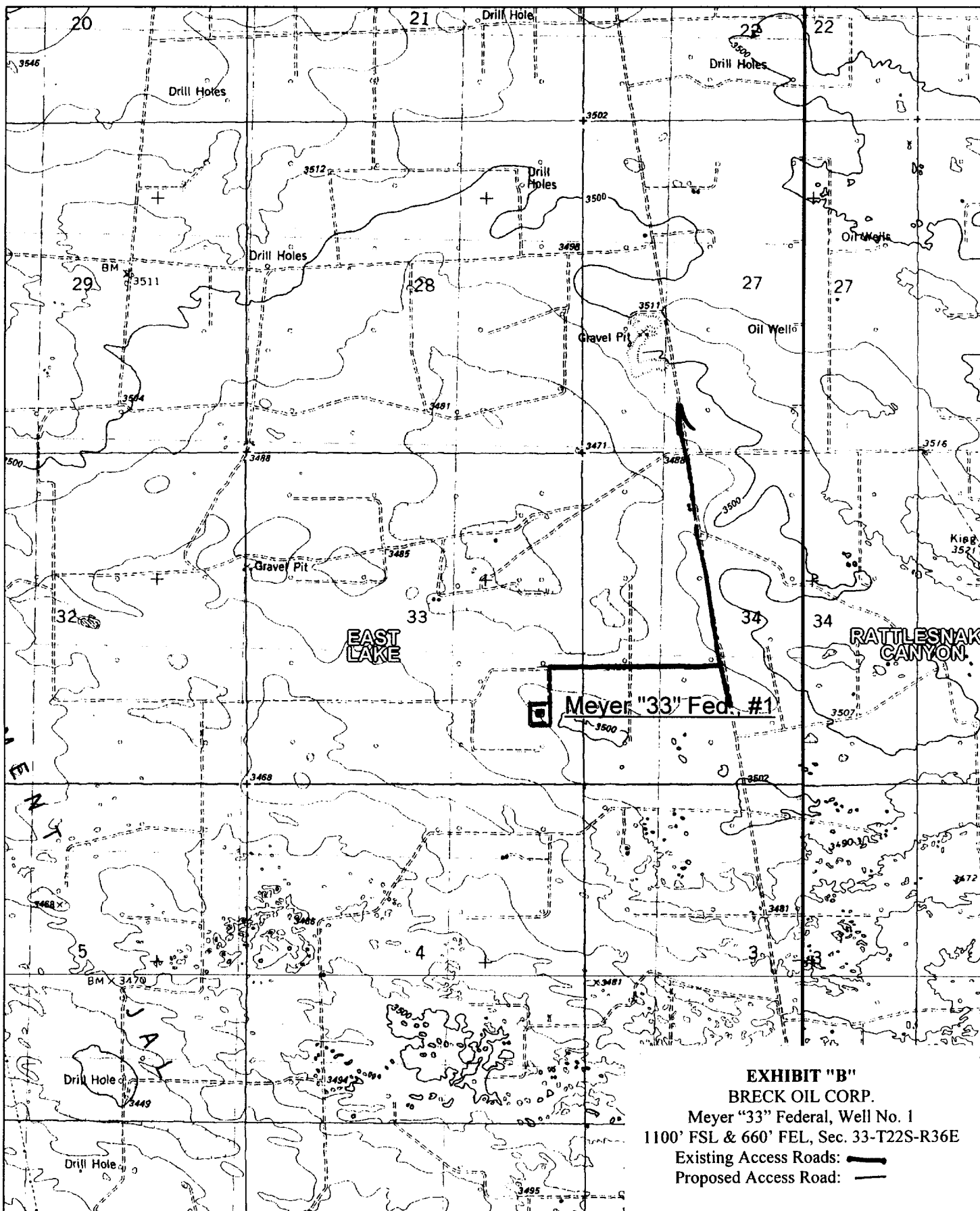


EXHIBIT "B"
BRECK OIL CORP.
 Meyer "33" Federal, Well No. 1
 1100' FSL & 660' FEL, Sec. 33-T22S-R36E
 Existing Access Roads: —
 Proposed Access Road: - -

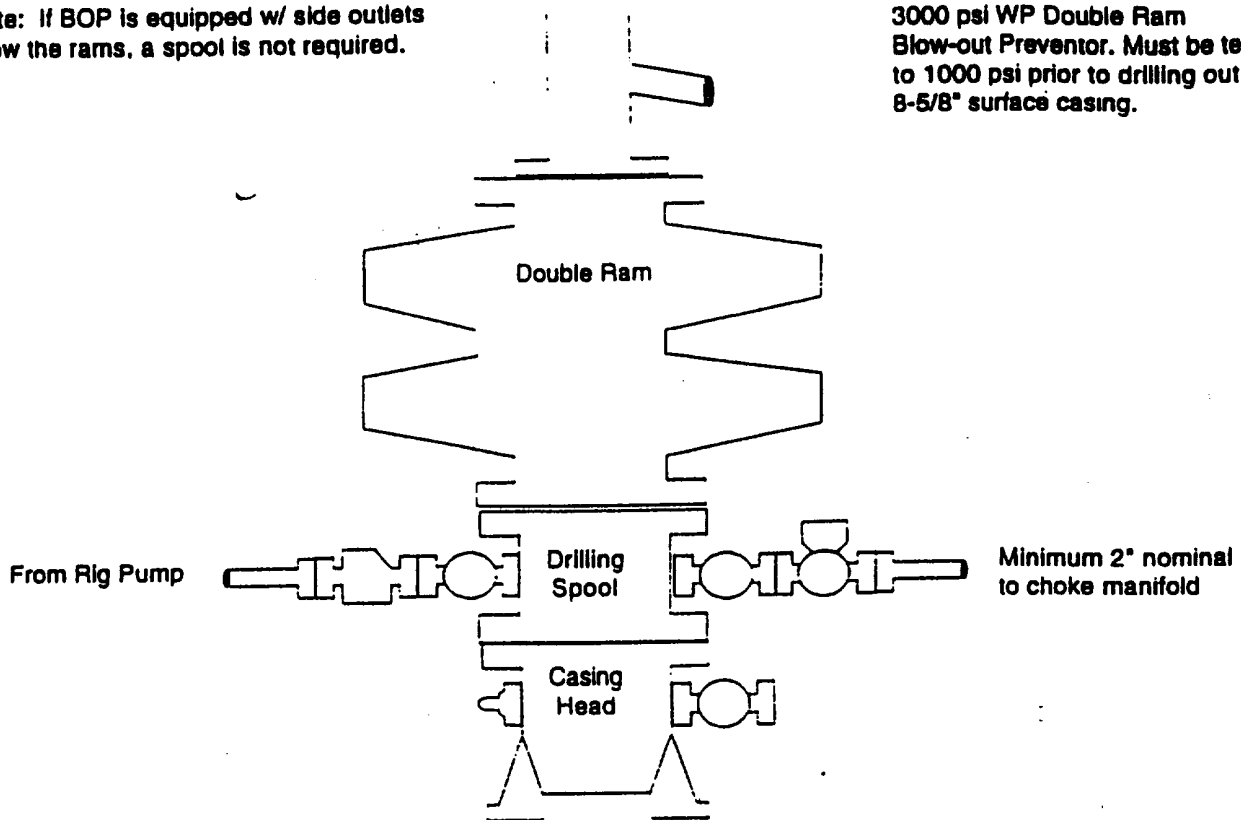
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BOP Schematic

*Note: If BOP is equipped w/ side outlets below the rams, a spool is not required.

3000 psi WP Double Ram
Blow-out Preventor. Must be tested
to 1000 psi prior to drilling out
8-5/8" surface casing.



Choke Manifold Schematic

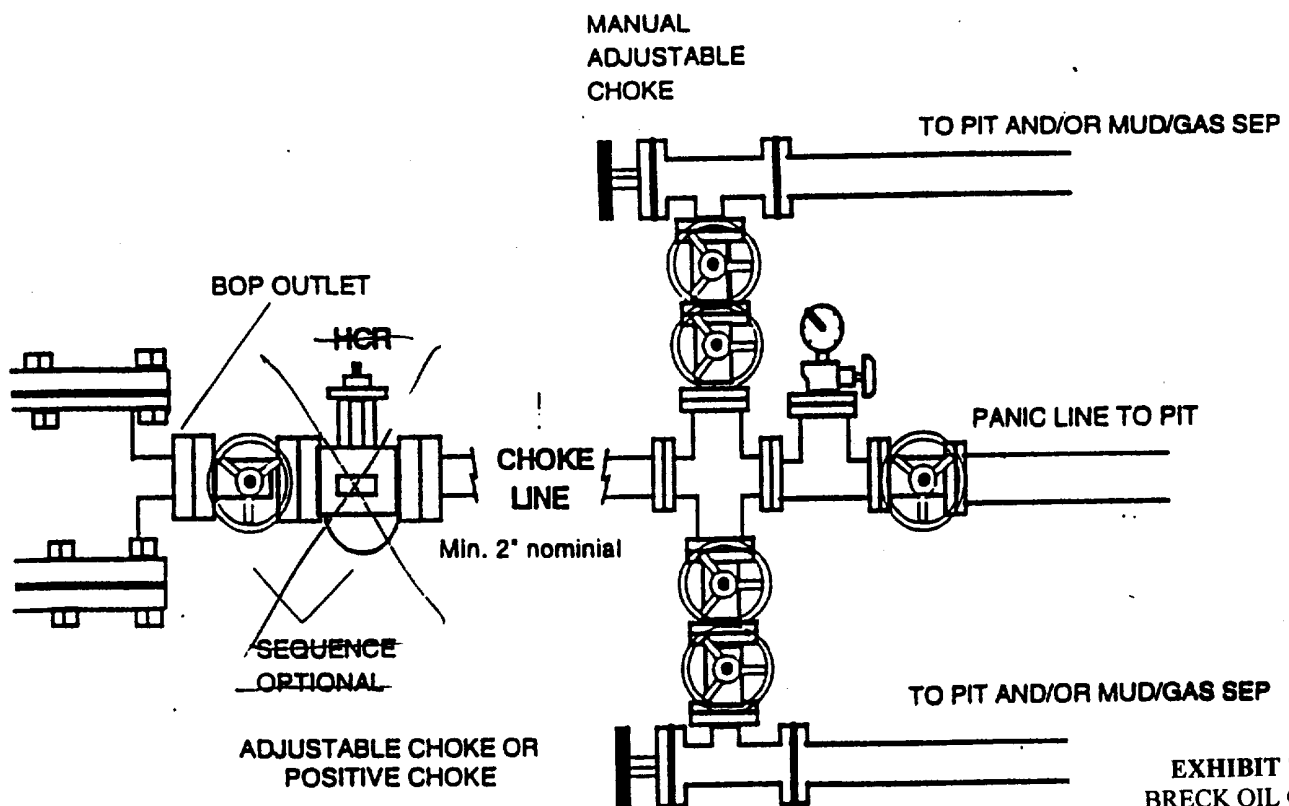
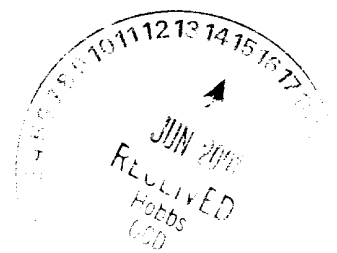
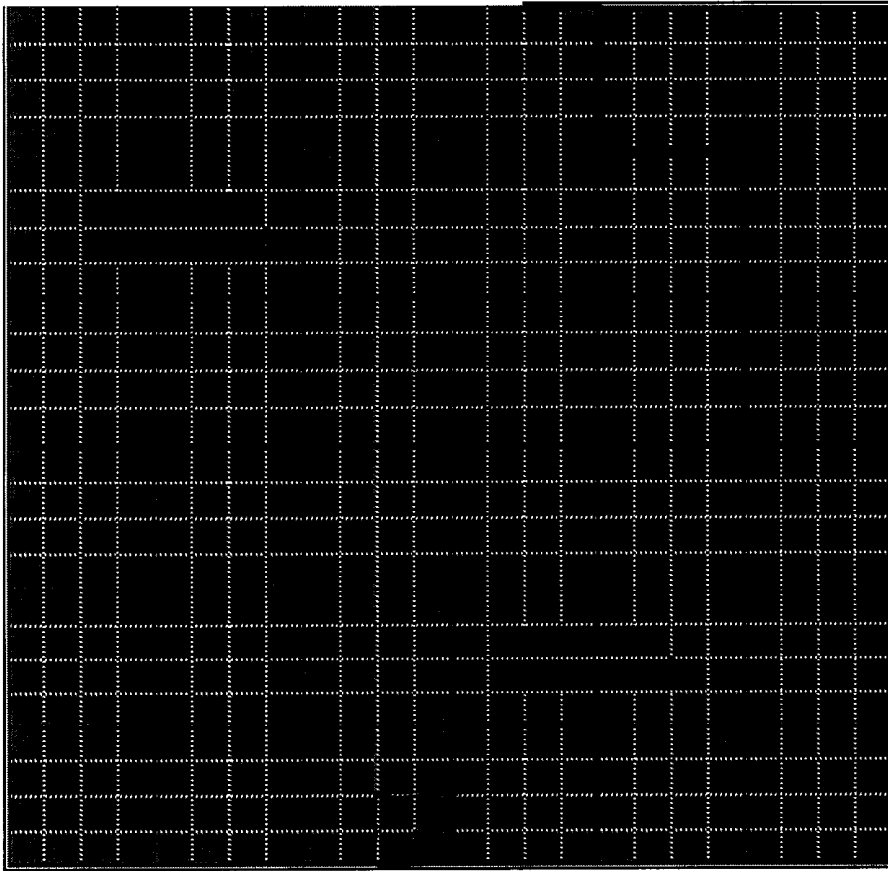


EXHIBIT "E"
BRECK OIL CORP.
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BOP Specifications





160ac. - 79240

4/22 Need Logs
of NSP or 640ac

Talked to Linda. Don will be out
until Thurs. 25th. Shut well in until
Proration is cleared.

6/5/02 Talked to Don
Received NSP
He will over night Logs
Paul gave verbal to
turn well back on.