

APPLICATION TO DRILL

Plains Petroleum Operating Company

E. C. Hill "B" Federal #16

Lea County, New Mexico

Lease No. 064118

May 8, 1996

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5. PRESSURE CONTROL EQUIPMENT (BOPE) DETAIL

11" API Shaffer 3000# series 900 dual hydraulic preventers adapted for the drilling contractors 4-1/2" and 5-1/2" drill pipe. The BOPS will be tested after they are installed on the surface casing, prior to drilling out, and each time they are removed or rearranged on the wellhead. See Exhibit A.

6. TESTING AND LOGGING PROGRAMS

TESTING

Drill stem tests may be performed to quantify and identify prospective producing horizons as drilling progresses. Production testing will be commenced after the well is drilled and casing has been set and cemented.

LOGGING

At TD, the following open hole well logs will be run: **GR-CNL-CDL-DLL-MLL**

7. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are anticipated. Hydrogen sulfide ^{may} ~~is not expected to~~ be encountered with this well.

8. ANTICIPATED START DATE:

June 24, 1996 with completion on or about July 8, 1996.