

APPLICATION TO DRILL

ARCH PETROLEUM, INC.
 C.E. LaMUNYON # 75
 UNIT "N" SECTION 22
 T23S-R37E LEA CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your consideration.

1. Location: 10' FSL & 1505' FWL SEC. 22 T23S-R37E LEA CO. NM
2. Elevation above Sea Level: 3288' GR.
3. Geologic name of surface formation: Quaternary Aeolian Deposits.
4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium for solids removal from hole.
5. Proposed drilling depth: 9800'
6. Estimated tops of geological markers:

| | | | |
|-------------------|-------|------------|-------|
| Rustler Anhydrite | 1040' | San Andres | 3790' |
| Yates | 2550' | Devonian | 7510' |
| Queen | 3255' | Simpson | 9600' |
| Glorieta | 4970' | McKee | 9775' |
7. Possible mineral bearing formations:

| | | | |
|------------|-----|----------|-----|
| San Andres | Oil | Devonian | Oil |
| Glorieta | Oil | Simpson | Oil |
8. Casing program:

| Hole size | Interval | OD of casing | Weight | Thread | Collar | Grade |
|-----------|----------|--------------|---------|--------|--------|--------------|
| 25" | 0-40 | 20" | NA | NA | NA | Conductor |
| 17½" | 0-500' | 13 3/8" | 48 | 8-R | ST&C | H-40 |
| 11" | 0-3000' | 8 5/8" | 32 & 24 | 8-R | ST&C | J-55 |
| 7 7/8" | 0-9800' | 5½" | 17 | 8-R | LT&C | N-80 J-55 |