DRILLING PROGRAM

COLLINS & WARE, INC. QUAHADA RIDGE FEDERAL 31 WELL NO. 1

2310' FSL & 330' FWL Sec. 31, T22S, R29E, Eddy County, NM

The following information is filed in accordance with New Mexico Oil Conservation Rules and Regulations:

- 1. SURFACE FORMATION: Quaternary
- 2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Bell Canyon 2800' Brushy Canyon 4850' Cherry Canyon 3600' Bone Springs 6300'

3. ESTIMATED DEPTH TO FRESH WATER:

Possible fresh water 100'-300'.

ANTICIPATED POSSIBLE HYDROCARBON BEARING ZONES:

Delaware (below 2700') Oil

No other formations are anticipated to give up commercial quantities of hydrocarbons.

The fresh water sands will be protected by setting 8 5/8" casing at 600' and circulating cement back to surface. A 5 1/2" production string will be run to 6500' and cemented in two stages to circulate back to the surface.

NOTE:See attachment

4. PROPOSED CASING AND CEMENTING PROGRAM:

dated 8/11/93 for amended csq. design.

Casing:

 Hole Size
 Interval
 Casing OD
 Weight, Grade, Joint, Condition

 12.25"
 0-600'
 8.625"
 24#, J-55, ST&C, New

 7.875"
 0-6500'
 5.5"
 15.5#, J-55, ST&C, Used

Cement:

8 5/8" Surface:

Cemented with 450 sacks of Premium Plus cement with 2% Cag12 to circulate.

5 1/2" Production Casing:

Cement/with 475/sacks of Premium Plus cement, 2.4# salt/sk, .6% Halad 322, 8# Silicalite/sk, in first stage with DV tool set at 4200% circulate to surface; cement with 750 sacks of Howco Lite with 6# salt/sk 8 6% gel; tail in with 275 sks Premium Plus with 8# Silicalite/sk, .6% Halad 322 and 3% salt, circulate to surface.

5. PRESSURE CONTROL EQUIPMENT:

Blowout prevention equipment, while drilling below surface casing will be a 3000 psi working pressure BOP stack. The BOP sketch is shown as Exhibits 1.