STATE of NEW MEXICO #2 TEN POINT PROGRAM, continued

Testing Program: No tests are planned.

Stimulation Program: Perforate the Pictured Cliffs with 4 JSPF and fracture stimulate with approximately 3000 lbs of frac sand per foot of perforated interval in either a 70 quality nitrogen foam system or a cross-linked gelled water system.

9. <u>Abnormal Pressure:</u> Although not expected, abnormal pressures are possible in the Farmington sand of the Kirtland formation.

Estimated Bottom Hole Pressure: 600 psig.

10. <u>Anticipated Starting Date:</u> As soon as all required approvals are received.

<u>Duration of Operation:</u> It is estimated that a total of 4 days will be required for drilling operations and 5 days for completion operations.