Permit Information:

Well Name: Gem 36 State Com No. 708H

Location:

SL: 220' FSL & 1226' FWL, Section 36, T-25-S, R-32-E, Lea Co., N.M. BHL: 230' FNL & 870' FWL, Section 36, T-25-S, R-32-E, Lea Co., N.M.

Casing Program:

Hole		Csg				$\mathbf{DF}_{\mathbf{min}}$	$\mathbf{DF}_{\mathbf{min}}$	$\mathbf{DF}_{\mathbf{min}}$
Size	Interval	OD	Weight	Grade	Conn	Collapse	Burst	Tension
17.5"	0 - 810'	13.375"	54.5#	J55	STC	1.125	1.25	1.60
12.25"	0-4,000°	9.625"	40#	J55	LTC	1.125	1.25	1.60
12.25"	4,000' - 4,700'	9.625"	40#	HCK55	LTC	1.125	1.25	1.60
8.75"	0 – 11,200'	7.625"	29.7#	HCP110	FXL	1.125	1.25	1.60
6.75"	0'-16,043'	5.5"	17#	HCP-110	LTC	1.125	1.25	1.60

Cement Program:

	No.	Wt.	Yld		
Depth	Sacks	lb/gal	Ft ³ /ft	Slurry Description	
810'	697	13.5	1.74	Lead: Class 'C' + 4.00% Bentonite + 2.00% CaCl2	
				(TOC @ Surface)	
	333	14.8	1.35	Tail: Class 'C' + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2%	
				Sodium Metasilicate + 2.0% KCl (1.06 lb/sk)	
4,700'	692	12.7	2.22	Lead: Class C + 0.15% C-20 + 11.63 pps Salt + 0.1% C-51 +	
				0.75% C-41P (TOC @ Surface)	
	303	14.8	1.32	Tail: Class C + 0.13% C-20	
11,200'	375	10.8	3.67	Lead: Class C + 0.40% D013 + 0.20% D046 + 0.10% D065 +	
				0.20% D167 (TOC @ 4,200')	
	400	14.8	2.38	Tail: Class H + 94.0 pps D909 + 0.25% D065 + 0.30% D167	
				+ 0.02% D208 + 0.15% D800	
16,043	950	14.8	1.31	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 +	
				0.40% C-17 (TOC @ 10,700')	

Mud Program:

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 – 810'	Fresh - Gel	8.6-8.8	28-34	N/c
810' - 4,700'	Brine	10.0-10.2	28-34	N/c
4,700'-11,200'	Oil Base	8.7-9.4	58-68	N/c - 6
11,200'- 16,043'	Oil Base	10.0-11.5	58-68	3 - 6
Lateral				

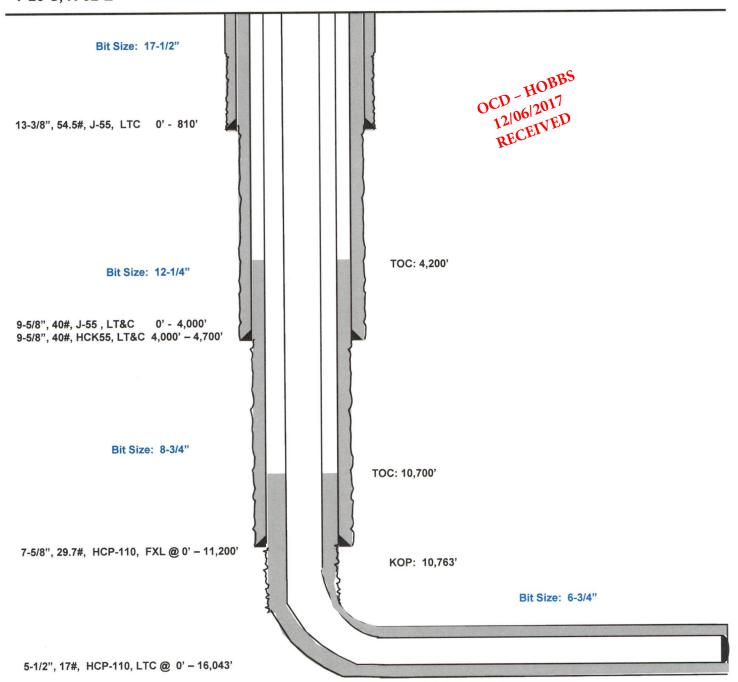
Gem 36 State Com #708H Lea County, New Mexico

220' FSL 1226' FWL Section 36 T-25-S, R-32-E

Proposed Wellbore

API: 30-025-****

KB: 3,373' GL: 3,348'



Lateral: 16,043' MD, 11,242' TVD

BH Location: 230' FNL & 870' FWL

Section 36 T-25-S, R-32-E