

EXXON CORPORATION #1 LUKENS FEDERAL  
 SEC. 25, T26S, R25E  
 EDDY COUNTY, NEW MEXICO  
 April 29, 1980

1. The geologic name of the surface formation is: Quaterary
2. The estimated tops of important geologic markers are:

Rustler	1190'
Salado	1200'
Castile	1360'
Bell Canyon	2049'
Cherry Canyon	2540'
Brushy Canyon	3490'
Dean	5010'
Wolfcamp	7890'
Penn	8560'
Derry	9030'
Morrow	9980'

3. The estimated depths at which anticipated water, oil, gas or other mineral bearing strata are expected to be encountered are:

Water - Surface water above 400'  
 Gas and Oil - Wolfcamp, Penn, Derry, and Morrow are all possible hydrocarbon bearing zones.

4. The proposed casing program including size, grade, and weight per foot of each string (and whether new or used) is as follows:

<u>String</u>	<u>Size/Weight/Grade</u>	<u>Condition</u>	<u>Depth Interval</u>
Conductor	20"/94.0/H40/STC	New	0 - 40'
Surface	13-3/8/54.5/K55/STC	New	0 - 400'
Intermediate*	8-5/8/24.0/K55/STC	New or 2nd C1	0 - 5200'
Production*	5-1/2/17/N80/BTC	New or 2nd C1	0 - 40'
	5-1/2/15.5/K55/BTC	New or 2nd C1	40 - 1200'
	5-1/2/15.5/K55/STC	New or 2nd C1	1200 - 2600'
	5-1/2/14.0/K55/STC	New or 2nd C1	2600 - 4600'
	5-1/2/15.5/K55/STC	New or 2nd C1	4600 - 6400'
	5-1/2/17.0/K55/STC	New or 2nd C1	6400 - 8300'
	5-1/2/17.0/N80/LTC	New or 2nd C1	8300 - 10600'

\*Casing string run will be at least as strong as string show. Actual pipe run may be different depending on casing available at time.