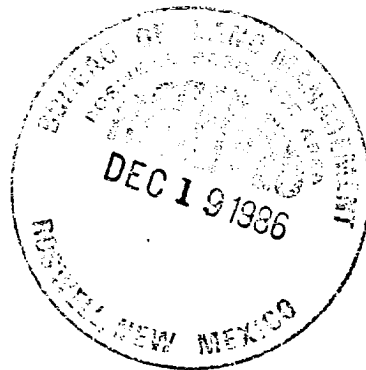


SUPPLEMENTAL DRILLING DATA

McKAY OIL CORPORATION
Lookout Federal #7
NW1/4NW1/4 Sec. 11-6S-22E
Chaves County, N.M.

NM 36192



The following items supplement Form 9-331C in accordance with instructions contained in NTL-6.

1. SURFACE FORMATION: San Andres
2. ESTIMATED TOPS OF GEOLOGIC MARKERS:
Yeso - 767'
Tubb - 2263'
Abo - 2943'
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:
Fresh water - In surface formations above 600'
Gas - In Abo formation below 2943'
4. PROPOSED CASING PROGRAM: See Form 9-331C
5. PRESSURE CONTROL EQUIPMENT: Blowout preventer stack will consist of at least a double-ram blowout preventer rated to 2000#WP. A sketch of the BOP is attached.
6. CIRCULATING MEDIUM:
0'- 700' Lime and gel, spud mud, viscosity 32 to 34 seconds.
700'- 2843 Fresh water
2843'- TD Start mudding up at 2843'; viscosity 36 to 38 seconds; water loss 10 cc or less; 3-5% Diesel; 2 KCL
Mud additives will be used to control water loss.
7. AUXILIARY EQUIPMENT: full-opening drill string safety valve fit the drill string in use, will be kept on the rig floor at all times.