

SUPPLEMENTAL DRILLING DATA

McKAY OIL CORPORATION
Rugged Federal #1
SW/4SW/4 Sec. 26-5S-21E
Chaves County, N.M.

NM 36188



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 | - | 596 |
| Tubb | - | 2298' |
| Abo | - | 2998' |
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:

| | | |
|-------------|---|----------------------------------|
| Fresh water | - | In surface formations above 600' |
| Gas | - | In Abo formation below 2998' |
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 3000#WP. A sketch of the BOP is attached.
6. CIRCULATING MEDIUM:

| | |
|------------|---|
| 0'- 700' | Lime and gel, spud mud, viscosity 32 to 34 seconds. |
| 700'- 2898 | Fresh water |
| 2898'- TD | Start mudding up at 2898'; 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.