

SUPPLEMENTAL DRILLING DATA

J. T. HAILE PETROLEUM, LTD
7-UP FEDERAL #1
SE/4 SW/4 SECTION 19-16S-29E
EDDY COUNTY, NEW MEXICO

1. SURFACE FORMATION: Sandy soil of Quaternary Age.

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

| | | | |
|-----------|------|--------------|-------|
| Anhydrite | 250' | Seven Rivers | 920' |
| Salt | 280' | Queen | 1510' |
| Base Salt | 620' | Penrose | 1740' |
| Yates | 770' | Grayburg | 1900' |

3. ANTICIPATED POROSITY ZONES:

Water: Above 150'
Oil: Seven Rivers, Queen, and Grayburg

4. CASING DESIGN:

| <u>Size</u> | <u>Interval</u> | <u>Weight</u> | <u>Grade</u> | <u>Joint</u> |
|-----------------|-----------------|---------------|--------------|--------------|
| 8 5/8" | 0 - 280' | 24.0# | K-55 | STC |
| 4 1/2" / 5 1/2" | 0 - 2400' | 10.5 / 15.5# | J-55 | STC |

5. PRESSURE CONTROL EQUIPMENT: ~~An annular~~ or a Double Ram-Type preventer.

6. CIRCULATING MEDIUM:

0 - 280' Fresh water mud with gel orlime as needed for viscosity control.

280 - 1500' Brine water.

1500 - 2400' Salt water mud, conditioned as necessary for control of viscosity and water loss.

7. AUXILIARY EQUIPMENT: Drill string safety valve.

8. TESTING, LOGGING AND CORING PROGRAMS: No coring or DST's are planned. Electric logs will include a CNL-FDC w/GR.

9. ABNORMAL PRESSURES, TEMPERATURES OR GASES: None anticipated.

10. ANTICIPATED STARTING DATE: It is planned that operations will commence about October 20, 1985. Duration of drilling, completion and testing operations should be 10-40 days.