

DRILLING PROGRAM  
SDX Resources Inc.  
**Woden Federal # 1**  
660' FNL, 1650' FEL  
Unit B, Sec. 23, T17S, R27E  
Eddy Co., NM

1. Geologic Name of Surface Formation:

Permian

2. Estimated Tops of Important Geologic Markers:

7- Rivers	396'	Abo	5150'
Queen	880'	Wolfcamp	6188'
Grayburg	1310'	Strawn	8632'
San Andres	1660'	Atoka	8938'

3. Estimated Depth of Anticipated Fresh Water, Oil or Gas:

Water Sand	100' – 150'	Fresh Water
7-Rivers	450	Oil & Gas
Queen	1100'	Oil & Gas
Grayburg	1530'	Oil & Gas
San Andres	2100'	Oil & Gas

4. Casing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>OC Csg</u>	<u>Weight Grade Jt Cond Type</u>
17-1/2"	0- 400	13-3/8	48#, H40 Existing
11"	0 – 1800	8-5/8"	32#, K55 Existing
7-7/8"	0 – 7850'	5-1/2"	17#, J55, Used Proposed

Cement Program:

13-3/8" Surface casing                      Cemented to surface with 463 sxs. Circulated

8-5/8" Intermediate Casing:                      Cemented to surface with 675 sxs. Circulated.

5-1/2" Production Casing:                      Cement with 300 sx of Class C and 700 sx of Lite C with 6# salt/sx and 1/4#/sx Flocele. This should circulate to surface.

5. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP) shown in Exhibit # 1 will consist of an double ram type preventer (5000 psi WP). Unit will be mechanically operated. BOP will be nipped up on the 8-5/8" intermediate csg and used continuously until TD is reached. BOP and accessory equipment will be tested to 5000 psi before drilling out of surface casing. A 2" kill line and a 2" choke line will be included in the drilling spool. Other accessories to the BOP equipment will include a kelly cock.