RE: Drilling Prognosis
Maddren "E" #2
Eddy County, New Mexico

I. OBJECTIVE:

Drill Maddren "E" #2 located in the Grayburg-Jackson and Fren fields. This well is to be a development well outside the Premier Unit area. The purpose is to develop both Premier Sand and Seven Rivers production.

II. LOCATION:

The well is to be located 990' FSL and 1650' FWL of Section 28, Township 17-South, Range 30-East, Eddy County, New Mexico.

III. BUDGET CLASSIFICATION:

Developmental Drilling.

IV. PROJECTED TOTAL DEPTH, HOLE SIZE, SLOPE TEST:

- A. 12-1/4" hole to the top of the salt to accommodate 8-5/8" surface casing (approximately 500').
- B. 7-7/8" hole to approximately 3350' to accommodate 5-1/2" production casing.
- C. Estimated drilling time 6-7 days.
- D. Slope test will be run on each bit trip or 500' intervals.
- E. If any coring or drill stem testing is done, pipe will be strapped out of hole prior to coring or testing.

V. DRILLING CONTRACTOR:

- A. Contractor: WEK Drilling Company, Inc. (probable)
- B. Type Contract: Footage
- C. Contract Depth: 3200'.

VI. MUD PROGRAM:

Probably will be furnished by Marrs Mud Company.

Interval	Type Mud	Weight	Viscosity	Weight _Loss_
0'-3000'	Fresh & Salt Water	9 - 10	28 - 30	NC
3000'-3200'	Salt Mud	10 - 11	36 - 38	NC

(Will mud up 200' from TD)

VII. TYPICAL GEOLOGICAL TOPS FOR WELL IN SECTION 28-17S-30E:

Tops	Vertical Depth	Subsea
Queen	2355'	+ 1291'
Loco Hills	2835 '	+ 811'
Main Metex	2974 '	+ 672'
Premier Sands	3055'	+ 591'

VIII. SAMPLES:

A. 10' samples from 220' to T.D. or as directed by Company Representative.

IX. CORES AND DRILL STEM TEST:

A. At present time no cores or drill stem test are planned.

X. LOGS:

A. Proposed logging program consists of:
Sidewall Neutron-Gamma Ray-Caliper 0'-T.D.
Dual Laterolog 1500'-T.D.

XI. CASING AND TUBING PROGRAM:

- A. Surface: 8-5/8" 20# Range 2 casing to be set just above the top of the salt section and cemented to the surface with class "C" cement with 2% CaCl. If cement does not surface the casing will be cemented down backside with 1".
- B. Production: 5-1/2" K-55 15.5# ST&C casing. Sufficient volume of class "H" cement with 1/4" flocel, 3/4 of 1% CFR-2, 5# salt, 10# sand per sack will be pumped to cover well above all zones of interest.