

ADDITIONAL INFORMATION

1. Geologic name of surface formation - recent sands and caliche.
2. Estimated Tops:
 - Top of Salt - 500'
 - Base of Salt - 1240'
 - T. Red Sand - 2317'
 - T. San Andres - 3030'
 - T. Lovington Sand - 3125'
3. It is expected that oil will be encountered below a depth of 2850'.
4. Casing Program:
 - 500' - 8-5/8" O.D. 24# J-55 new
 - 3200' - 4 1/2" O.D. 9.5# J-55 new
5. See Exhibit "C".
6. No special mud will be used. Drilling will be done with water and natural mud formed by drilling red beds and shales. Before running casing, mud of suitable qualities will be spotted.
7. Auxiliary equipment - not applicable for shallow well.
8. No tests or cores will be taken. Logs will be Gamma-ray-Compensated neutron and Cement Bond Log.
9. We expect some water flows to be encountered at unknown depths. This water will be pitted.
10. Expect drilling to be commenced by July 15, 1981. Operations expected to be completed by August 15, 1981.

ADDITIONAL INFORMATION

1. Geologic map of the area showing the location of the wells.
2. Estimated Topography

Top of Hill - 2000'
Base of Hill - 1500'
T. Hill - 1500'
T. Hill - 1500'
T. Hill - 1500'
T. Hill - 1500'

3. It is expected that all will be done within a year or two.
4. Geologic Cross-section

2000' - 1500' (Top of Hill)

1500' - 1000' (Base of Hill)

5. See Exhibit 10.

6. No special and will be done. Drilling will be done with water and oil. The oil will be used for drilling and the water will be used for drilling.

7. Estimated to be done - not applied to the section well.

8. No more oil will be taken. The oil will be used for drilling and the water will be used for drilling.

9. The water will be used for drilling and the oil will be used for drilling.

10. The water will be used for drilling and the oil will be used for drilling.