

DRILLING PLAN

covering

BURNETT OIL CO., INC.
Lease #LC 074939
Gissler "B" #25
Unit Letter "E"
660' FWL, 1980' FNL
Sec. 14, T17S, R30E
Eddy Co., New Mexico

(A) DRILLING PROGRAM

(1) Estimated tops of geologic markers

<i>alluvium</i>	<i>Surface</i>
Anhydrite	360'
Salt	410'
Base Salt	1200'
Red Sand	2270'
Grayburg	2670'
San Andres	2965'

(2) Estimated depths of producing formations

Fresh Water	None
Saltwater flows	1350', 2670'*
Oil & Gas	2920', 3070', 3350'**

*If large waterflows are encountered, drilling will continue to TD. Stage cementers will be run just below flows, and casing will be cemented in multiple stages in order to confine water flows to original strata.

**Oil and gas bearing zones will be confined by cementing. Productive intervals will be perforated through casing and produced in a conventional manner.

(3) Blowout Preventer Specifications

3000 psi Double Ram Unit with hydraulic closing equipment. The preventer will be tested before drilling out below surface pipe setting depth. The exact description of the preventer and related equipment depends upon the successful drilling contractor, who has not yet been selected. (See schematic Exhibit "D"). No high pressure hydrocarbon zones are anticipated.