

## DRILLING PLAN

covering

BURNETT OIL CO., INC.

Lease #LC 074939

Gissler "B" #26

Unit Ltr. "F"

1980'FNL, 1980'FEL

Sec. 14, T17S, R30E

Eddy Co., New Mexico

### (A) DRILLING PROGRAM

#### (1) Estimated tops of geologic markers

|            |         |
|------------|---------|
| Alluvium   | Surface |
| Anhydrite  | 360'    |
| Salt       | 410'    |
| Base Salt  | 1250'   |
| Red Sand   | 2270    |
| Grayburg   | 2670'   |
| San Andres | 2965'   |

#### (2) Estimated depths of producing formations

|                 |                       |
|-----------------|-----------------------|
| Fresh Water     | None                  |
| Saltwater flows | 1350', 2400'*         |
| 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.