PERMIT TO DRILL SCOGGINS DRAW FEDERAL #2 IN COMPLIANCE WITH ORDER NO. 1

SUN EXPLORATION AND PRODUCTION COMPANY SCOGGINS DRAW FEDERAL #2 SEC. 15, T-18-S, R-27-E 660' FSL, 1980' FWL EDDY COUNTY, NEW MEXICO

1. GEOLOGIC SURFACE FORMATION: Quaterary

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS

Queen	1080
San Andres	1865
Glorieta	3530
*Wolfcamp	6800
*Strawn	8940
*Atoka	9300
*Morrow	9576
Chester	9925

3. ESTIMATED DEPTHS OF ANTICIPATED, WATER, OIL, GAS, OR MINERALS Formations possibly productive of oil or gas are indicated with an asterisk (*), above in Section 2.

4. PROPOSED CASING PROGRAM

<u>Size</u>	<u>Csg Seat</u>	<u>Footage</u>	<u>Grade</u>	Wt & Thread	
13-3/8" 8-5/8"	500' 2900'	500' 2900'	K-55 K-55	54.5# 24.0#	STC STC
5-1/2"	10000'	8800'	K-55	17.0#	LTC
2-7/8"	9800'	1200' 9800'	N-80 N-80	17.0# 6.5#	LTC 8RdEUE

PROPOSED CEMENTING PROGRAM

13-3/8" Cemented to surf w/ 525 sx Class "C" + 2% Cacl² + 1/4#/Sx Flocele

8-5/8" Cemented to surf w/1050' Lite + 1/4#/Sx Flocele followed by 250 Sx Class "C" Neat

5-1/2" Cemented to 6300' w/ 625 Sx 50/50 Poz "H" + 2% Gel + 2% KCL + .3% CFR-2 + .5% Fluid Loss Additive

Cement volumes adjusted by calipers for 8-5/8" & 5-1/2" casing strings.