

DRILLING PROGRAM

DOW "B" -33- FEDERAL WELL No. 2

SURFACE DESCRIPTION:

This well is located in an area know as the Querecho Plains which is typified by an undulating landform which possesses both stabilized and unstablized sand dunes, mesquite anchored-hummocks and hills. The soil consists of aeolian-deposited sandy loams and loamy sands. Vegetation consists mainly of shin oak, mesquite, and range grasses.

FORMATION TOPS: Estimated KB Elevation: 3764'

<u>Formation</u>	<u>Depth</u>	<u>Lithology</u>	<u>Fluid Content</u>
Rustler	595'	Anhy, Salt	----
Tansill	1815'	Anhy	----
Yates	1965'	Ss, Dolomite	----
Queen	2960'	Ss, Dolomite	Oil
San Andres	3730'	Dolo, Limestone	----
1st Bone Spring	6840'	Sandstone	----
2nd Bone Spring	7245'	Sandstone	Oil
Wolfcamp	8615'	Limestone	Oil
Strawn	10775'	Limestone	Oil/Gas
Atoka	10920'	Sandstone	Gas
Morrow	11510'	Sandstone	Gas

The base of the salt section is the top of the Tansill at 1815'. Pressures are normal for the area which means a +/- 7.9 PPG EMW pore pressure down to the top of the Pennsylvanian then increasing to a +/- 8.7 - 9.6 PPG EMW pore pressure in the Pennsylvanian. No abnormal temperatures are anticipated. H2S in the ABO/Bone Spring and the San Andres formations is possible. H2S RADIUS OF EXPOSURE: 100ppm = 199', 500ppm = 91', based on 4,300ppm H2S and 692 MCF (see attached H2S Drilling Operations Plan. H2S equipment to be operational prior to drilling out Surface Casing Shoe.)

PRESSURE CONTROL EQUIPMENT:

A 3000 psi (or 5000 psi at drilling contractor's option) Dual Ram BOP with rotating head (See Exhibit C) will be installed after surface casing is set. A 5000 psi Dual Ram BOP with rotating head and annular preventer will be used. (See Exhibit IV). It will be installed after intermediate casing is set. BOP will be tested each time it is installed on a casing string and at least every 29 days, and operated at least once each 24-hour period during drilling.