

DRILLING PROGRAM

Attachment to Form C-101
Anadarko Petroleum Corporation
Ballard GSA Unit, Tract 25, Well #5
2625' FSL & 1200' FWL
Section 5, T18S, R29E
Eddy County, New Mexico

This proposed well is a Fee mineral and a Federal surface Tract of the Ballard GSA Unit. A surface use plan has been submitted to the Bureau of Land Management for their approval.

Note: This proposed well site is 15' off of a quarter/quarter line. I spoke with Tim Gumm, the District Manager with the NMOCD in the Artesia, N.M. office, about whether I needed to get an unorthodox location permit. He informed me that I did not need one unless we drilled within 330' of the unit boundary line or within 10' of a quarter/quarter line. This well is 2520' from the nearest lease line.

1. Geologic Name of Surface Formation

Permian

2. Estimated Tops of Important Geological Formations

Top of Salt Section	335'
Base of Salt Section	760'
Yates	940'
Seven Rivers	1285'
Queen	1980'
Grayburg	2365'
San Andres	2775'

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas

Water:	None Anticipated
Oil:	2475'-3100'
Gas:	None Anticipated

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 8 5/8" casing at 330' and circulating cement back to surface. The Grayburg and San Andres intervals will be isolated by setting 5 1/2" casing to total depth (3200'±) and circulating cement to surface.