

ANTICIPATED WATER, OIL, GAS, AND MINERAL
BEARING FORMATIONS

Well: "DD" Federal "24" Well No. 2

Location: 1945' FSL & 660' FEL, Sec. 24, T-19-S, R-24-E

County: Eddy State: New Mexico

Elevation: 3576 GR Proposed TD: 7950'

Formation Tops

<u>Depth</u>	<u>Formation</u>	<u>Oil</u>	<u>Gas</u>	<u>Water</u>
528'	San Andres			
1967'	Glorieta			
4267'	Abo Reef			
6000'	Wolfcamp	X	X	X
7500'	Canyon Reef	X	X	X

Mud Program

<u>Depth</u>	<u>Type</u>	<u>Weight</u>	
0-450'	Spud Mud	8.4-8.6	LCM as required
450-1200'	Fresh	8.4-8.6	LCM as required
1200'-TD	Fresh	8.4-8.6	LCM as required

No intervals will be cored. Drill stem test(s) may be conducted in the Wolfcamp zone. Surveys to be run include GR-CAL-CNL-FDC (w/PE), GR-CAL-MSFL-DLL, and GR-CAL-BHC-Sonic.

No abnormal pressures, temperatures or hazardous gases are anticipated to be encountered in this well.

BOP will be installed after surface casing is set. BOP will be tested each time it is installed on a casing string and operated at least once each 24-hour period during drilling.