WELL PROGNOSIS

OPERATOR: Read & Stevens, Inc.
WELL: #1 W. R. State Com
FIELD & DEPTH: Burton Flat Morrow - 11,500'
LOCATION: 660' FSL & 990' FEL Sec. 6, T-21-S, R-27-E, Eddy Co., N.M.
CONTRACTOR: Moranco Rig #7
ELEVATION: 3207' GR - 3222' RKB

ESTIMATED FORMATION TOPS

T/Yates	647' (+2575)
T/Delaware Sand	2662' (+560)
T/Bone Spring Lime	4732' (-1510)
T/3rd Bone Spring Sand	8332' (-5110)
T/Wolfcamp	8722' (-5500)
T/ Strawn	10,037' (-6815)
T/Atoka	10,422' (-7200)
T/Morrow	10,917' (-7695)
T/Morrow Clastics	10,997' (-7775)
T/Barnett Shale	11,385' (-8163)

CASING PROGRAM

Hole Size	Casing Size	Wt. Per Foot	Setting Depth	Cement
17 1/2"	13 3/8"	48#	600'	600 sx. - Circu.
12 1/4"	8 5/8"	32#	2,400'	1495 sx. - Circu.
7 7/8"	5 1/2"	11.6#	11,500'	800 sx.

MUD PROGRAM

0'-600' Spud mud with gel/lime slurry. Mud wt. 8.6#-9.0#, Vis. 34-36, WL no control. If circulation is lost and cannot be regained, dry drill to 600' and set surface casing.

600'-2,400' Fresh water and native mud. Mud wt. 8.4#, Vis. 28, WL no control, Ph. 9.5 with caustic. Use paper tpe lost circulation material for seepage. If circulation is lost, use 200-300 bbls. of fluid with heavy concentration of lost circulation material. If circulation cannot be regained, dry drill to 2400' and set intermediate casing.

2,400'-8,600' Fresh water with use of flocculent to minimize build-up of solids. Mud wt. 8.4#, Vis. 28, WL no control, Ph 9.5 with caustic.

8,600'-10,600' Brine water mud system. Mud wt. 9.5#-10.0#, Vis. 30-32, WL no control, Ph 9.5 with caustic. If abnormal pressures are encountered in the Wolfcamp or Strawn, raise mud weight to 10.5#-11.0#.

10,500'-11,500' Brine polymer mud system. Mud wt. 10.0#, Vis. 32-34, WL 10 cc. or below, Ph 9.5 with caustic.

LOGGING PROGRAM

Run Schlumberger Simultaneous Gamma Ray-Caliper, Compensated Neutron Formation Density as porosity tool with Dual Laterolog as Resistivity tool. Detail from base of 8 5/8" to total depth.