Eddy County, New Mexico Federal Lease No. $\underline{\rm NM-46275}$ Page Three

8. Testing, logging, and completion programs:

A. Logging: 600'-3000' FDC-CAL-GR/DLL-MSFL 3000'-TD FDC-CNL-CAL-GR/DLL-MSFL

B. Mud logger from 200'-TD.

C. Completion-formation: Morrow (11050'+ - 11200'+). Proposed completion procedure: spot acid across Pay Zone. Run GR-CCL and perforate. Acidize with 6000 gallons 7-1/2% HCL.

- D. Production method: Run packer on 2-7/8" tubing and set above Morrow perforations. Produce Morrow gas up the tubing.
- 9. Abnormal pressure or other possible hazards:

A. No abnormal pressure is anticipated.

B. No H₂S problem is expected.

10. It is anticipated that the drilling and completion operations will begin about January 15, 1982, and be finished in approximately 14 weeks.