

DRILLING FLUIDS PROGRAM

Surface: Spud with fresh water gel and lime. Add paper to control seepage. If complete loss of circulation occurs, hole will be dry drilled to 350'±.

Intermediate: Drill intermediate hole with fresh water and lime. Add paper and increase viscosity to 34 sec. to control seepage.

Production: Drill production hole with fresh water to 6500', 4% KCL water to 9000', mud up with polymer starch system maintaining 38-42 sec. viscosity, 8.7 ppg weight and 10 cc water loss to total depth. Mud program may be altered as hole conditions dictate.

EXHIBIT G

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1604' FNL & 1912' FWL
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(skelly2.appl)