

ANTICIPATED WATER, OIL, GAS AND MINERAL  
BEARING FORMATIONS

Lease: Federal Neff "13" Well No: 5  
Location: 1980' FNL, 1980' FWL, Sec. 13, T-22-S, R-31-E  
County: Eddy State: New Mexico Elevation: GR-3580'  
Proposed TD: 8400'

Formation Tops

<u>Depth</u>	<u>Formation</u>	<u>Oil</u>	<u>Gas</u>	<u>Water</u>	<u>Lithology</u>
200'	Santa Rosa			X	Ss, Redbeds
750'	Rustler				Anhy, Salt
1190'	Salado				Salt
4480'	Lamar				Limestone
4516'	Bell Canyon				Ss
5371'	Cherry Canyon				Ss
7036'	Brushy Canyon	X			Ss
7066'	Brushy Canyon Pay	X			Ss
7871'	Lower Brushy Can.	X			Ss

Geologic Description

The surface geology of this area is Quaternary age alluvium. Occasional outliers of Triassic Santa Rosa Sandstone are found in some areas. Vegetation consists mainly of scrub oak, mesquite and desert grasses.

The base of the salt section is found around 4350'.

No drill stem tests will be conducted. No cores will be taken.

No abnormal pressures, temperatures, or hazardous gases are anticipated to be encountered in this well. GR-CAL-CNL-LDT, GR-CAL-DIL-SFL surveys will be run.

Mud Program

<u>Depth</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>
0'-840'	Fresh Water	8.4	28
840'-4350'	Brine Water	10.0	29
4350'-8400'	Fresh Water	8.4	29
@ TD if hole conditions dictate	Gel/Driscap	8.6	32-34

Blowout preventer 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.