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E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout Delaware section. BHP 3420 psi max or ECD of 8.3 ppg. Lost circulation may exist in the Delaware section from 4200-7700'. No H_2S is anticipated.

Estimated BHT is 160° F.

POINT 8: OTHER PERTINENT INFORMATION

A) Auxiliary Equipment

Upper and lower kelly cocks. Full opening stab in valve on the rig floor.

B) Anticipated Starting Date

Upon approval

24 days drilling operations

12 days completion operations