

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout Delaware section. A BHP of 3265 psi (max) or MWE of 8.7 ppg is expected. Lost circulation may exist in the Delaware section from 3,781'-6,949'. No H₂S is anticipated.

Estimated BHT is 140° 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

12 days drilling operations

14 days completion operations

SLA

August 24, 2000