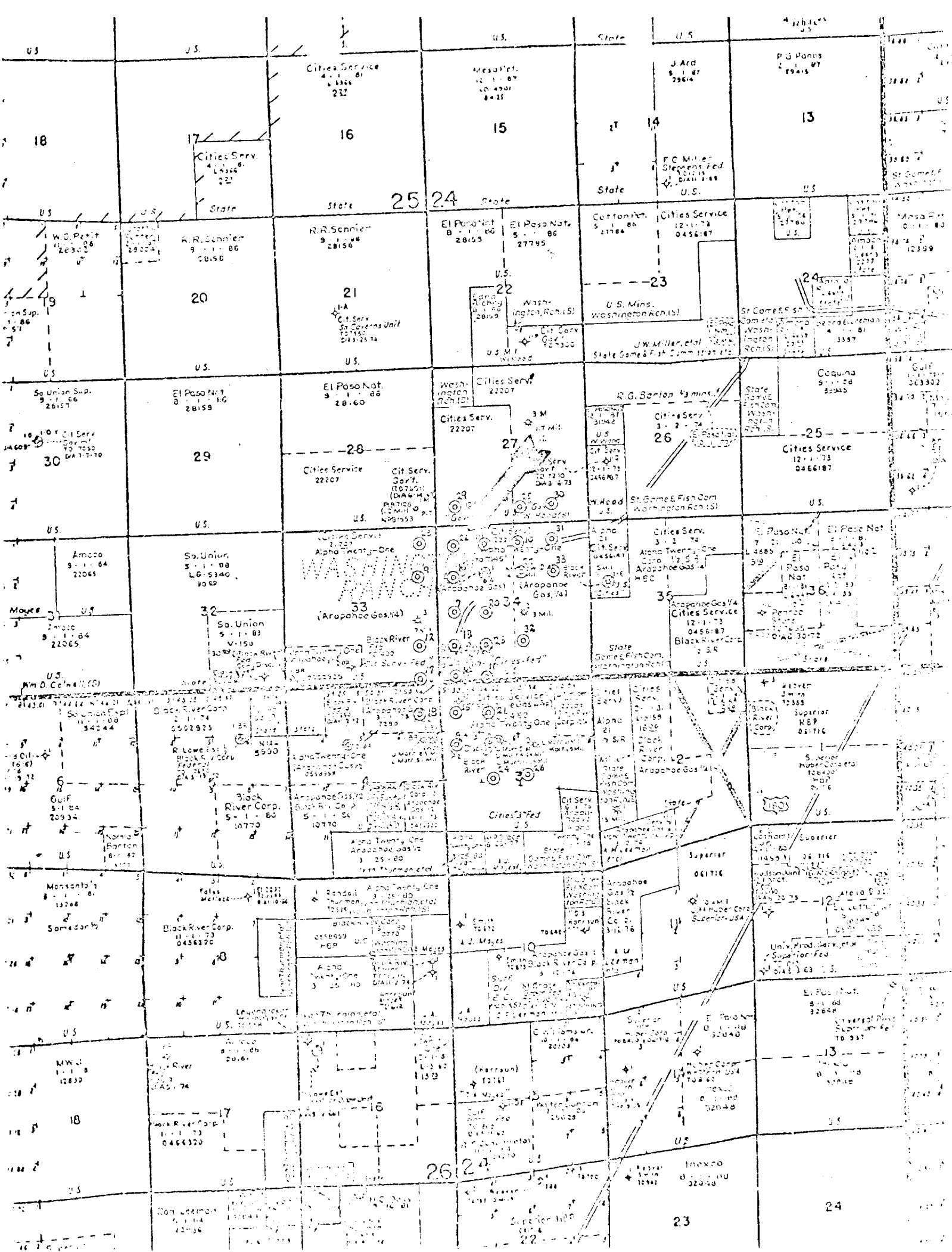




OPERATIONS PLAN

Washington Ranch Storage Project W.I.

I. Location:

Section , T- -S, R-24-E
Eddy County, New Mexico

Field:

Washington Ranch

Elevation:

GR

II. Geology:

A. Formation Tops:

Surface	Quaternary
Castile	180
Lamar	500
Dela. Ss	575
Cherry Cn	1,475
Bone Spring	3,550
Wolfcamp	5,550
Strawn	5,685
Atoka	6,950
Morrow Ls	6,500
Morrow Clastics	6,620
T.D.	+ 7,050

B. Logging Program:

FDC-CNL
Dual Induction - SFL @ SP & GR curves
BHC-Sonic

C. Coring:

None

III. Drilling:

A. Mud Program:

Fresh water non-dispersed mud from surface
to coring point.
Use low fluid loss non-dispersed mud from
coring point to T.D.

IV. Materials:

A. Casing Program:

HOLE SIZE	DEPTH	CSG SIZE	WT & GRADE
16"	40'	13 3/8"	29.3# H-40
12 1/4"	800'	9 5/8"	32.3# H-40
8 1/2"	7,050'	7"	23.0# N-80

B. Float Equipment:

13 3/8" conductor - None
 9 5/8" surface - Cement guide shoe, orifice fill insert float two jts off bottom, centralizers on jts 1, 3, 5, 7, 9, 11
 7" production - Cement guide shoe, float collar at top of first jt, one centralizer and four turbolizers per jt for first 16 jts, one centralizer every 3rd jt for 21 jts thereafter. Rough coat bottom 1,500' of casing.

C. Tubing:

7,000 ft. 2 7/8" 6.5# J-55

D. Wellhead Equipment:

Bradenhead, 9 5/8" OD slip-on X 11" 3000# W.P.
 @ 10" X 7" CD hanger
 Tbg Spool 11" 3000# W.P. X 7 1/16" 5000# W.P.
 with 6" X 2 7/8" CD hanger
 Upper Run: 3 1/8" 5000# W.P. master valve
 and production valves.

V. Cementing:

A. Conductor Casing (15" X 13 3/8"):

Cement in place with redi-mix aggregate cement (approx. 2 yds), WOC 12 hrs.

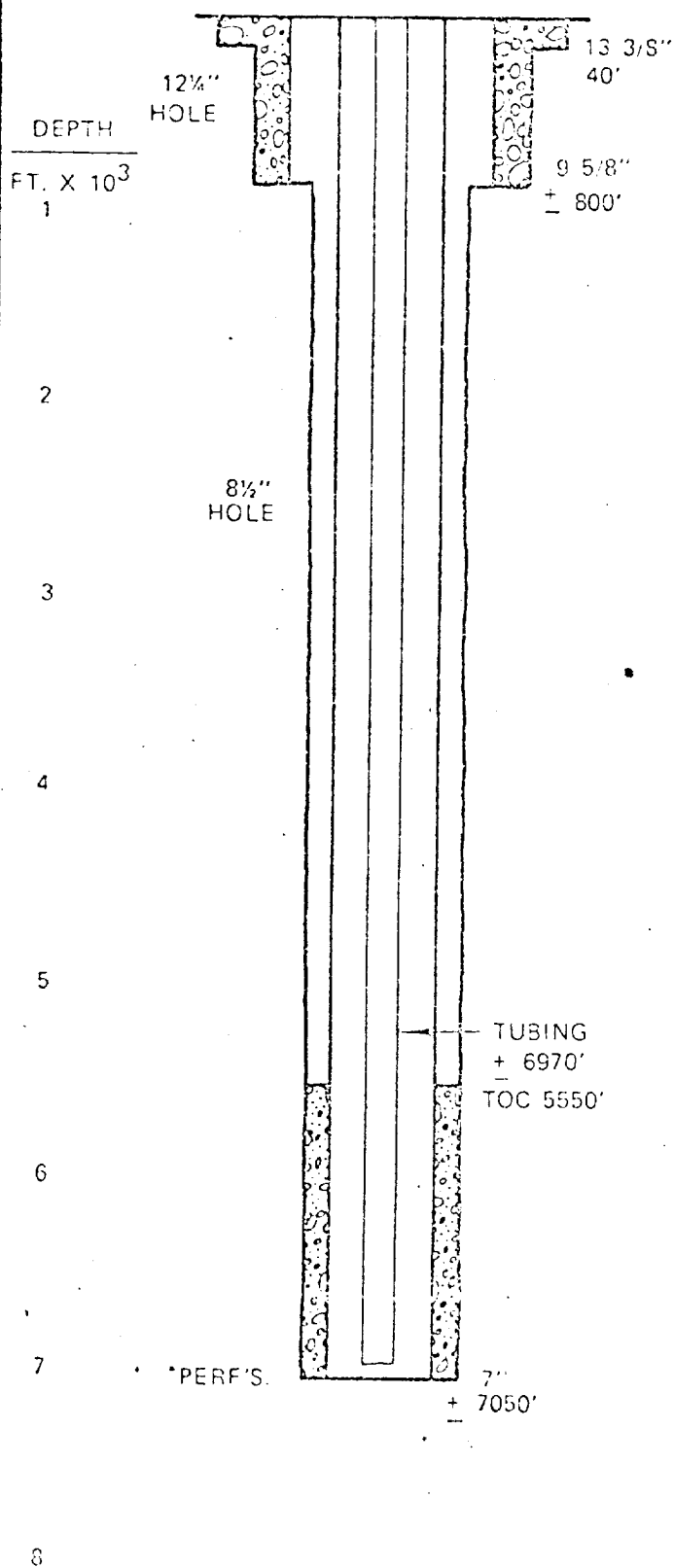
B. Surface Casing (12 1/4" X 9 5/8"):

Use 480 sx Class "C", 2% CaCl₂ and 5 lbs Kolite and 1/4# Celloflate per sack. (630 cu. ft., 150% excess to circulate to surface). WOC 8 hrs. Test csg to 800 psi for 30 min. before drilling plug.

C. Production Casing (8 1/2" X 7"):

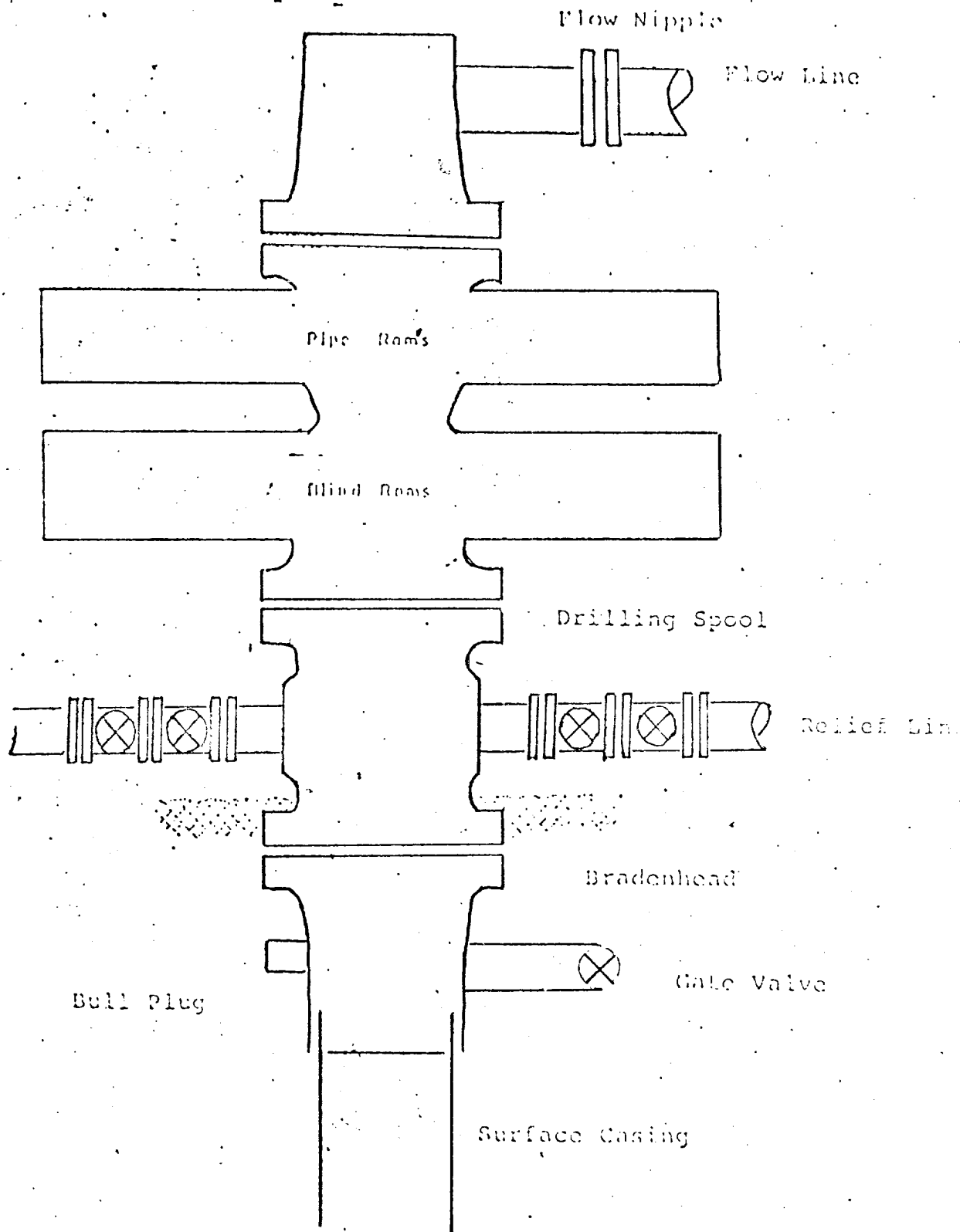
Use caliper volume plus 20% to fill to approx. 5,550'. Cement with approx. 250 sx Class "H" plus 4% gel and 10% salt, 0.5% D65 and 10 lbs Kolite. WOC 18 hrs. Run temperature survey after 8 hrs.

WASHINGTON RANCH PROPOSED NEW I-W WELL



SIZE	GRADE	WT	BURST	COLLAPSE	DRIFT ID
13 3/8"	USED				
9 5/8"	H-40	32.3	2270	1400	8.845
7"	K-55 *	23	4360	3270	6.241
2 7/8"	J-55	6.5	7260	7680	2.441
*N-80					

Typical B.O.P. Installation



Series 900 Double Gate BOP, rated
at 3000 psi Working Pressure