

SUPPLEMENTAL DRILLING DATA
for
HANAGAN PETROLEUM CORPORATION
#1 Bet-Net
660' FNL & 1980' FWL
Section 25 - T24S - R31E
Eddy County, New Mexico

The following items supplement Form 3160-3 in accordance with applicable BLM requirements.

1. ESTIMATED GEOLOGIC FORMATIONS:

Quaternary Sandy Alluvium	@ Surface	
Rustler	@ 680'	
Lamar	@ 4550'	--
Cherry Canyon	@ 5450'	Delaware Mountain Group
Brushy Canyon	@ 6700'	--
Bone Springs	@ 8430'	

2. ESTIMATED WATER, OIL AND/OR GAS ZONES:

Oil or Gas: Cherry Canyon/Brushy Canyon

3. PRESSURE CONTROL EQUIPMENT:

Pressure control equipment will include a 3000# WP blowout preventer stack (see attached diagram). BOPE will be nipped up and pressure tested prior to drilling surface casing shoe. Pipe rams to be tested daily and blind rams tested when out of hole. Crew will hold weekly BOP drills. All drills and tests will be recorded in drillers log.

4. CASING & CEMENTING PROGRAM:

Surface String: Drill 17 1/2" hole to approx. 725' and set 13 3/8", 48.0 #/ft, J-55, STC casing, cement casing with approx. 600 sacks Class "C" light w/2% CaCl + 200 sacks "C" neat cement with 2% CaCl and circulate excess cement to pits. Allow 18 hours for cement to set. Pressure test with rig pumps to 500# for 30".

Intermediate String: Drill 11" hole to approx. 4500' and set 8 5/8", 32.0 #/ft, J-55, STC casing, cement casing w/approx. 2000 sacks "C" Lite w/10# salt per sack + 200 sacks "C" neat w/1% CaCl, circulate excess cement to pits, allow 18 hours to set, pressure test to 1000# for 30 minutes using rig pumps.

Production String: Drill 7 7/8" hole to approx.