

DRILLING PROGRAM

Enron Oil & Gas Company
S.D.S. "11" Federal, Well No. 1
2090' FNL & 1980' FWL
Sec. 11, T24S, R31E
Eddy County, New Mexico

1. Geologic Name of Surface Formation:

Permian

2. Estimated Tops of Important Geologic Markers:

Rustler	850'
Delaware	4,440'
Cherry Canyon	5,520'
Lower Brushy Canyon Marker	8,020'
Bone Spring	8,290'

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas:

Upper Permian Sands	100'	Fresh Water
Delaware	4,440'	Oil
Bone Spring	8,290'	Oil and Gas

No other formations are expected to give up oil, gas or fresh water in measurable quantities. The surface fresh water sands will be protected by setting 11-3/4" casing at 600' and circulating cement back to surface, and 8-5/8" casing will be set at 4200' with cement circulating back to surface.