Sotol Federal No. 7

Sonat requests the following changes to the drilling program:

 For economic reasons, permission is requested to set 11-3/4" surface casing at 400' instead of at 810' as originally approved. The only fresh water known to exist in the immediate area is at 275-300' in Sonat's water well in Section 2, T24S, R31E. The TD of this water well is at 320'.

Cement will be circulated back to surface.

Cement with 200 sx Class C with 4% gel, 2% CaCl2 (13.5 ppg, 1.74 ft3/sx) followed by 200 sx Class C with 2% CaCl2 (14.8 ppg, 1.32 ft3/sx) - 100% excess plus 100 sx to circ 100 sx.

- 2. For economic reasons, permission is requested to change the intermediate casing design from 8-5/8" 24# J55 STC to 8-5/8" 23# M50 STC. The proposed design would have similar limits as the original approved design. The fluid level will not be allowed to fall below 1700' inside the 8-5/8" casing to meet the collapse design requirements. Lost circulation has never been a problem in the 7-7/8" hole in offsets when drilling the Delaware with 8.4 ppg fluid.
- 3. For economic reasons, Sonat requests permission to use the following 5-1/2" production casing design:

Top 1200' 5-1/2" 17# J55 LTC production casing 6300' 5-1/2" 15.50# J55 LTC production casing Bottom 1200' 5-1/2" 17# J55 LTC production casing

Sonat's design factors:

Burst 1.1 Collapse 1.0 Tension 1.75

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Verbal approval obtained from BLM on 6/07/96. KGC 6/07/96.