

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout the Delaware & Bone Spring sections. The Wolfcamp expected BHP is 9100 (max) or an equivalent mud weight of 13.3 ppg @ TD. Due to the tight nature of the reservoir rock (high pressure, low volume), the well will be drilled under balanced utilizing a rotating head. The expected BHT at TD is 205°F. Prior to penetrating the abnormal pressures in the Wolfcamp, mud-monitoring equipment will be installed and operative. No H₂S is anticipated.

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

50 days drilling operations

15 days completion operations

JCW/mac
April 14, 2000