

SUPPLEMENTAL DRILLING DATA

McKAY OIL CORPORATION
Lookout Federal #2
SW1/4SW1/4 Sec.11-6S-22E
Chaves County, N.M.



NM 36192

The following items supplement Form 9-331C in accordance with instructions contained in NTL-6.

1. SURFACE FORMATION: San Andres
2. ESTIMATED TOPS OF GEOLOGIC MARKERS:
 - Yeso - 682'
 - Tubb - 2112'
 - Abo - 2893'
3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION:
 - Fresh water - In surface formations above 600'
 - Gas - In Abo formation below 2893'
4. PROPOSED CASING PROGRAM: See Form 9-331C
5. PRESSURE CONTROL EQUIPMENT: Blowout preventer stack will consist of at least a double-ram blowout preventer rated to 3000#WP. A sketch of the BOP is attached.
6. CIRCULATING MEDIUM:
 - 0'- 600' Lime and gel, spud mud, viscosity 32 to 34 seconds.
 - 600'- 2790' Fresh water
 - 2790'- TD Start mudding up at 2790'; viscosity 36 to 38 seconds; water loss 10 cc or less; 3-5% Diesel; 2 KCLMud additives will be used to control water loss.
7. AUXILIARY EQUIPMENT: full-opening drill string safety valve fit the drill string in use, will be kept on the rig floor at all times.