SUPPLEMENTAL DRILLING DATA

McKAY OIL CORPORATION McKay Federal #7 NE/4NE/4 Sec. 27-5S-21E Chaves County, N.M.

NM 36189

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

- 1. SURFACE FORMATION: San Andres
- 2. <u>ESTIMATED TOPS OF GEOLOGIC MARKERS:</u> Yeso - 678 Tubb - 2380' Abo - 2980'
- 3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATION: Fresh water - In surface formations above 600' Gas - In Abo formation below 2980'
- 4. PROPOSED CASING PROGRAM: See Form 9-331C
- 5. <u>PRESSURE CONTROL EQUIPMENT</u>: 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. <u>CIRCULATING MEDIUM</u>: 0'- 700' Lime and gel, spud mud, viscosity 32 to 34 seconds. 700'- 2880 Fresh water 2880'- TD Start mudding up at 2857'; viscosity 36 to 38 seconds; water loss 10 cc or less; 3-5% Diesel; 2 KCL Mud additives will be used to control water loss.
- 7. <u>AUXILIARY EQUIPMENT</u>: full-opening drill string safety valve fit the drill string in use, will be kept on the rig floor at all times.

