

Enron Oil & Gas Company
James Ranch Unit, Well No. 38
2180' FSL & 430' FEL
Sec. 1, T23S, R30E
Eddy County, New Mexico

8. Logging, Testing and Coring Program:

- (A) The electric logging program will consist of GR-Dual Laterolog-MSFL and GR-Compensated Density-Neutron from TD to intermediate casing with a GR-Compensated Neutron ran from intermediate casing to surface.
- (B) Possible side wall cores based on shows.

9. Abnormal Conditions, Pressures, Temperatures, & Potential Hazards:

No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature (BHT) at TD is 140 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 3700 psig. No hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. No major loss circulation zones have been reported in offsetting wells.

Anticipated Starting Date and Duration of Operations:

Road and location work will not begin until approval has been received from the BLM. Anticipated spud date is unknown at the present time. Once drilling has commenced, the drilling operation should be finished in approximately 45 days. If the well is productive, an additional 30 to 45 days will be required for completion and testing before a decision is made to install permanent facilities.