

DRILLING PLAN
Ross Federal #1
Section 25, T-23-S, R-24-E
Eddy County, New Mexico

1. Estimated tops of important geological markers:

Goat Seep Reef : 1,000'
Bone Spring : 4,400'

2. Estimated depths at which the top of anticipated water, oil, gas or other mineral-bearing formations are expected to be encountered and the plan for protecting such resources.

| | <u>Depth</u> | <u>Protection</u> |
|------------------|--------------|-------------------|
| Deepest FW | : 500' | Casing & Cement |
| Oil-Bone Spring: | 4,400' | Casing & Cement |

3. Minimum specifications for pressure control equipment:

- A. Wellhead Equipment: Thread type, 2000 psi WP for 8-5/8" x 5-1/2" casing program with 2-7/8" tubing hanger.
- B. Blowout Preventers: Refer to attached drawings and lists of equipment titled "Type II-C" for description of BOP stacks and choke manifold.
- C. BOP Control Unit: Unit will be hydraulically operated and have two control systems.
- D. Testing: Upon installation, the Type II-C BOP's for the 8-5/8" production casing will be tested to a low pressure (200-300 psi) and to a high pressure of 2000 psi. Casing rams will be tested in a like manner. An operational test of the blowout preventers will be performed on each round trip, (but not more than once each day); the annular and pipe ram preventers will be closed on drill pipe and the blind rams will be closed while pipe is out of the hole.