

Eland Energy, Inc.  
Federal 1 X #3  
695' FSL & 745' FWL  
Sec. 3, T. 9 S., R. 26 E.  
Chaves County, New Mexico

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#### 5. MUD PROGRAM

<u>RANGE</u>	<u>MUD TYPE</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>WATER LOSS</u>	<u>pH</u>
0' - 1,100'	Fresh Water	8.6-9.0	32-36	NC	N/C
1,100' - 4,400'	Brine	9.2-9.4	28-29	NC	9-10
4,400'-TD	Brine	9.3-9.6	44-50	6-7 cc	9-10

#### 6. CORING, TESTING, & LOGGING

No cores or DSTs are planned. Laterolog and Micro CFL/Gamma Ray logs will be run from TD to 1,100'. CNL/FDC logs will be run from TD to 4,400'.

#### 7. DOWNHOLE CONDITIONS

No abnormal pressures, temperatures, nor hydrogen sulfide are expected. Maximum pressure will be  $\approx$ 2,650 psi.

#### 8. OTHER INFORMATION

The anticipated spud date is January 10, 2002. It is expected it will take about eleven days to drill and seven days to complete the well.