PAGE 2 HUSKY OIL COMPANY SRC FEDERAL #1

conditions to run surface casing.

300 - 1500': Use salt saturated brine.

1500' - TD: Mud weight 8.84 to 9.04 per gallon, water loss 10cc/30 minutes or less and viscosity of 35 sec./qt. or more.

Mud quantities, as necessary, to maintain the above mentioned properties and drill to total depth are estimated to be appx. 900 barrels.

7. Auxiliary equipment:

Kelly cock with stabbing valve on floor.

8. Testing, Logging, and Coring:

DST may be required in the Grayburg and/or Atoka.

No coring is anticipated.

Logs as follows:

Surface casing to TD: DLL-MSFL + FDC-CNL-GR

Proposed completion program:

Perforate desired intervals. Swab, and if necessary, perform an acid and/or frac job.

9. Abnormal hazards:

Neither abnormal pressures, temperatures, nor potential hazards, such as hydrogen- sulfide gas is expected. The maximum BHP is 3698 FSI at total depth in the Mississippian. This is a normal .43 FSI per ft. gradient.

10. Anticipated spud date: April 1, 1981

11. Anticipated duration: 30 DAYS

EXHIBITS TO ACCOMPANY FORM 9-331C

A. Location map with route marked.

B. Topographic map section showing access roads and location.

C. Proposed production facilities.