DRILLING PROGNOSIS

I. Well Identification:

Lease Name: MOUNTAIN-FEDERAL

Well No.: 2

Location: 990' FEL & 2310' FNL, Section 30, T-7-S, R-32-E

County: Roosevelt

State: New Mexico

Elevations: 4429'

II. Drilling Objective:

Zone: San Andres

Total Depth: 4350'

Pool Name: Tomahawk

Productive Interval: 4250' - 4350'

III. Formation Tops:

Zone	Tops: Drilling Depth Estimated:	Tops: Subsea Depth	Gross Interval Drilled	Probable Fluid Production
Rustler	1700'			
Yates	2200'			
San Andres	3341'			Hydrocarbons
P-1	4050'			
P-2	4130'			
P-3	4240'			
TOTAL DEPTH	4350'			

IV. Hole Size:

Hole	Bit Size	T.D.	Gross Interval
Conductor:			
Surface:	11" ~~12"~~	1780'	1780'
Production:	7-7/8"	4350'	2530'

V. Casing Program:

A. Casing Design

String	Casing Size O.D.	Wt.	Grade	Threads	Amount	Cond.
Conductor:						
Surface:	8-5/8"	24#	A	8 RD	1780'	New
Production:	4-1/2"	~~10.5#~~ 9.5#	J-55	8 RD	4400'	New

B. Float Equipment:

Surface Casing: 8-5/8" guide shoe w/3 centralizers.

Production Casing: 4-1/2" float show w/6 centralizers.

C. Centralizers:

Surface Casing:

Production Casing:

D. Wellhead Equipment:

VI. Mud Program:

A. Surface Hole:

Use fresh water gel with sufficient viscosity to make hole.

B. Production Hole:

Allow mud to become salt saturated; add starch and brine gel to lower water loss to 20 cc and viscosity to 40 cc.

VII. Cementing Program:

A. Surface Pipe:

Cement pipe w/~~550~~ 600 sacks total cement; 400 Halliburton lite and 150 neat cement; circulate cement.

B. Production String:

Cement long string w/~~175~~ 200 sacks 50-50 Posmik, 2% gel and mix 10% salt. Pump 30 bbls. water ahead to remove filter cake.

VIII. Formation Evaluation:

A. Drilling Rate:

1. Kept by Geolograph.

2.

B. Well Cutting Samples:

Samples shall be kept from 3000' to T.D. and reviewed by geologist.

C. Mud Logging: ~~None~~

D. Drill-Stem Testing: None

E. Coring:

F. Well Logging:

Open-Hole Logs

Log	Interval	
Run Porosity Log		
Run Deep Lateral Investigation Log		
Run Short Laterial Investigation Log		
Run Gamma-Ray Log		

Cased-Hole Logs

Log	Interval	
Run Gamma-Ray Log		
Run Collar Locator Log		

Log Distribution

Company	No. of Copies	
	Field Prints	Final Prints

Company _____ No Copies _____

Field Prints Final Prints

IX. Blowout Preventer System:

A Cameron type Hydraulic preventer will be utilized.

X. Hazardous Zones:

Field history has indicated no such zones will be encountered.

XI. Duration of Operations:

Estimated to be 30 days, depending on availability of service equipment.