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Fina Oil and Chemical Company
R. E. Horton Federal, Well No. 38
1700' FNL & 920' FEL, Sec. 30, T-8-S, R-35-E
Roosevelt County, New Mexico
Lease No. NM-0145685
(Replacement Water Injection Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Fina Oil and Chemical Company submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is undifferentiated Quarternary alluvial deposits overlying late Tertiary (Ogallala) sediments.
2. The estimated tops of geologic markers are as follows:
Anhydrite 2233' (+ 1990 subsea)
Yates 2703' (+ 1520 subsea)
San Andres 3943' (+ 280 subsea)
3. The estimated depth at which anticipated water, oil or gas formations are expected to be encountered:
Water: Random fresh water sands from surface to + 300'
Oil: 4648' (-425 subsea)
Gas: None anticipated
4. Pressure Control Equipment: See Form 3160-3 and Exhibit "D"
5. Proposed Casing Program: See Form 3160-3
6. Mud Program: See Form 3160-3
7. Testing, Logging and Coring program:
Logging: Gamma ray - Neutron TD to surface
 Compensated Density-Neutron TD to 3800'
 Bore-hole compensated sonic TD to 3800'
 Dual lateral-micro-lateral TD to 3800'
Coring: It is anticipated that 120' of core will be taken in the San Andres dolomite from 4640' to 4760'.
Testing: None anticipated
8. The expected bottom-hole pressure is 1900 psi with no abnormal pressure anticipated. Maximum bottom-hole temperature anticipated is 108 Deg. F.
9. Anticipated spud date: October 12, 1987
Anticipated completion of drilling operations:
Approximately 8 days.