

Exxon #2 Strange Federal  
Located 660' FSL and 1,980' FEL of Section 25  
T7S, R31E, Chaves County, New Mexico  
Federal Lease No. NM 15677A

1. The geologic name of the surface formation:.. Recent
2. The estimated tops of important geologic markers:

Tansill	2100'
Yates	2200'
Seven Rivers	2270'
San Andres	3300'
PHi - 1 Marker	4000'

3. The estimated depths at which anticipated water, oil, gas, or other mineral bearing formations are expected to occur:

Water	50'
Oil	3300'

4. Proposed Casing Program:

<u>String</u>	<u>Size</u>	<u>Weight/Grade</u>	<u>Condition</u>	<u>Depth Interval</u>
Surface	8 5/8"	24#/K-55	New or Used	0-1800'
Production	5 1/2"	14#/K-55	New or Used	0-4300'

5. Minimum specifications for pressure control equipment.

- a. Wellhead Equipment - Threaded type 2000 psi WP for 8 5/8" x 5 1/2" casing program and 2 7/8" tubing.
- b. Blowout Preventers - Refer to attached drawing and list of equipment titled "Type II-C" for description of BOP stack and choke manifold.
- c. BOP Control Unit - Unit will be hydraulically operated and have at least 3 control stations.
- d. Testing - When installed on 8 5/8" surface casing the BOP stack will be tested to a low pressure (200-300 psi) and to 1500 psi. Casing rams will be tested in like manner when installed prior to running production casing. 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.