COQUINA OIL CORPORATION

Llano "A" Federal No. 1 (OWDD)
Sec. 8-19S-32E Lea Co., N.M.

TEN POINT PLAN

1. The geologic name of the surface formation is Quaternary Alluvium.

2. The tops of important geologic markers:

Anhydrite	940'	Bone Spring	6,935'
Yates	2,900'	Wolfcamp Lime	10,280'
Delaware Sd.	5,340'	Strawn	11,125'

Morrow (est) 12,300'

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

Morrow Sands -- Gas

4. Proposed casing program:

Depth	Size	Weight	Grade	New or Used
650'	13-3/8"	48#	H-40	Used
3,366'	8-5/8"	32#	K-55	New & Used
12,500'	5-1/2"	17# & 20#	N-80	New

5. Minimum specifications for pressure control equipment:

Install an annular type 12" -- 3000 psi preventer on the 13-3/8" casing before drilling out surface plugs. Test to 500 psi. When 8-5/8" casing string is successfully integrated, install double ram type preventers with pipe and blind rams, and a rotating head. The double gate shall be 10" -- 5000 psi equipment. If sufficient sub-structure space is available an annular preventer rated to 3000 psi will be included in this stack. Test this stack to 1500 psi when installed, and daily thereafter, at daylight. Such daily pressure checks shall be recorded in the drillers log.

6. Mud program: To reenter the surface casing, a light fresh water spud mud of sufficient viscosity to remove drill cuttings will be used. After drilling out the plug from 600' to 700' (per original operators plugging report) switch to brine to wash out to 8-5/8" OD casing stub, dress same, and effect reconnection. Once 8-5/8" string integrity is assured, switch to fresh water and wash and drill ahead. Drill into Morrow with a cut brine product, approximately 9.5 to 9.6#, 36 viscosity.