Inexco Oil Company
Federal #1
SE/4NE/4 Section 7,
T-19-S, R-33-E
Lea County, New Mexico
Lease Number NM 2843

(1) Geologic name of surface formation: Rustler

(2) Estimated Tops of important geological markers:

Base of Salt	3000'
Yates	3100'
Queen	4300'
San Andreas	4900'
Bone Springs	7550'
Wolfcamp	10,850'
Strawn	12,100'
Atoka	12,100'
Morrow Sand	13,150'
PTD	14,000'

(3) Estimated depth of mineral bearing zones:

Fresh water 0'-500' Intermittent

Possible hydrocarbons in San Andreas, Wolfcamp, Strawn, and Morrow at depths shown above.

(4) Casing Program:

(a)	Conductor	20" to 40' and cement to surface
	Surface Casing	13 3/8-48#-H40 to 500' cement to surface
(c)	Intermediate	8 5/8-24# and 28# to top of San Andreas
•••		±5000'-cement to surface
(d)	Production	0'-2000' - 5 1/2-20#-N80
· ·		2000'-8800' - 5 1/2-17#-N80
		8800'-13700' - 5 1/2-20#-N80
		13700'-TD - 5 1/2-23#-N80 cement to
		cover Production Zones

## (5) Pressure Control: See Schematics

Base of surface to intermediate point:

(a) 12" - 900 Series Double Gate Hydraulic BOP to be pressure tested once and operationally tested daily.

Base of Intermediate to TD:

(a) 10" - 5000 psi W.P. Double Gate Hydraulic BOP with pipe rams and blind rams to be tested to 5000 psi initially and each 60 days thereafter - operationally checked daily.

- (b) 10" 5000 psi W.P. Hydril to be tested to 3000 psi initially and operationally tested daily.
- (c) 10" 3000 psi W.P. Rotating head to be tested to 1000 psi initially.
- (d) HCR flowline valve to be tested to 1000 psi initially.
- (6) Drilling Fluid Program:
  - (a) Clear water (fresh and brine as needed), to 10,500'.
  - (b) Brine water at 9.6 10.5 ppg as necessary from 10,500 to 13,000. Pressures in Strawn and Atoka should not exceed 10 ppg equivalent.
  - (c) Brine gel system with 5cc water loss and weight as in "b" above to T.D. Pressures in Morrow will be subnormal.

(7) Auxillary Equipment:

- (1) Kelly cocks will be used and maintained.
- (2) Floats will not be allowed.
- (3) PVT and flow sensors will be installed at intermediate point.
- (4) A floor stabbing valve will be kept available for use.
- (8) (a) DST Program: Maximum of four (4) in zones as directed by well sight Geologist.
  - (b) Logging Program: Resistivity, Porosity, and Gamma Ray logs will be run from intermediate casing to T.D.
  - (c) No cores are planned.
- (9) Abnormal conditions only as detailed in item 6. No  $H_2S$  is expected.
- (10) Anticipated starting date: February 15, 1977 with 90 days for drilling and completion.

J. U. Bundy

Drilling Superintendent

JDB:tmo