

SUPPLEMENTAL DRILLING DATA
NEARBURG PRODUCING COMPANY
PENNZOIL 1 FEDERAL #3

1. SURFACE FORMATION:

Sand Dunes

2. ESTIMATED TOPS OF GEOLOGIC MARKERS: (Get from Geo. dept.)

| | | | |
|-------------|--------|------------------------|--------|
| T/ Rustler | 1,600' | T/ Bone Spring | 7,745' |
| T/ Yates | 3,250' | T/ Bone Spring Sd. | 8,950' |
| T/ Queen | 4,400' | T/ 2nd Bone Spring | 9,280' |
| T/ Delaware | 5,680' | T/ 2nd Bone Spring Sd. | 9,530' |

3. ANTICIPATED POSSIBLE HYDROCARBON BEARING ZONES:

2nd Bone Spring Carb.
2nd Bone Spring Sd.

4. CASING AND CEMENTING PROGRAM:

| <u>Casing Size</u> | <u>Setting Depth</u> <u>From To</u> | <u>Weight</u> | <u>Grade</u> | <u>Joint</u> |
|--------------------|---|---------------|--------------|--------------|
| 13-3/8" | 0' - 350' | 48# | H-40 | ST&C |
| 8-5/8" | 350' - 3,800' | 24# & 32# | K-55 | LT&C |
| 5-1/2" | 3,800' - 9,600' | 17# | J-55 & N-80 | LT&C |

Equivalent or adequate grades and weights of casing may be substituted at time casing is run, depending on availability.

We plan to drill a 17-1/2" hole to equal 350'. 13-3/8" casing will be cemented with 500 sx or volume to tie back to surface.

8-5/8" casing will be cemented with 1,200 sx or volume necessary to tie back to surface.

5-1/2" production casing will be cemented with approximately 500 sx of Class "H" 50/50 POZ.

5. PRESSURE CONTROL EQUIPMENT:

The BOP stack will consist of a 3,000 psi working pressure, dual ram type preventer and annular.

A BOP sketch is attached.