

LUSK DEEP UNIT "A" NO. 23 WIW
DRILLING PROGRAM
PAGE 4

- C. No conventional cores are planned
- D. Additional evaluation may be required by the company geologist based on drilling shows and log evaluation.

9. Abnormal Conditions, Pressures, Temperatures and Potential Hazards:

No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature (BHT) at TD is expected to be 135°F and the estimated maximum bottom hole pressure (BHP) is 2800 PSI. No H₂S or other hazardous gases or fluid have been encountered, reported or are known to exist to this depth in this area. Some wells in this area have encountered severe to total loss of circulation in the Capitan Reef at about 2800'. If this occurs at this location, several attempts will be made to regain circulation, but if it appears necessary, the well will be dry-drilled to the intermediate casing depth of 4200'+/- .

10. Anticipated Starting Date and Duration of Operations:

Location construction work will not begin until approval has been received from the BLM. The anticipated spud date will be around December 27, 1997. Once commenced, the drilling operations should be completed in approximately twenty (20) days. If the well is productive, an additional thirty (30) days will be required for completion and testing before a decision is made to tie into permanent water injection facilities.