

EIGHT POINT DRILLING PROGRAM BASS ENTERPRISES PRODUCTION CO.

NAME OF WELL: GEM 35 FEDERAL #1

LEGAL DESCRIPTION - SURFACE: 1980' FSL & 660' FWL, Section 35, T-19-S, R-33-E, Lea County, New Mexico.

POINT 1: ESTIMATED FORMATION TOPS

(See No. 2 Below)

POINT 2: WATER, OIL GAS AND/OR MINERAL BEARING FORMATIONS

Anticipated Formation Tops: KB 3596' (est.)
GL 3585.4'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>	<u>ESTIMATED SUBSEA TOP</u>	<u>BEARING</u>
T/Rustler	1254'	+2331'	Barren
T/Salt	1385'	+2200'	Barren
B/Salt	2865'	+ 720'	Barren
T/Yates	3095'	+ 490'	Oil/Gas
T/Seven Rivers	3351'	+ 234'	Oil/Gas
TD	3500'	+ 85'	

POINT 3: CASING PROGRAM

<u>TYPE</u>	<u>INTERVALS</u>	<u>PURPOSE</u>	<u>CONDITION</u>
20"	0' - 40'	Conductor	Contractor Discretion
11-3/4" 42# WC-40 ST&C	0' - 1300'	Surface	New
8-5/8" 28# WC-50 ST&C	0' - 2880'	Intermediate	New
5-1/2" 15.5# LS K-55 LT&C	0' - 3500'	Production	New

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAMS)

A BOP equivalent to Diagram 1 will be nipped up on the surface casing head. The BOP stack, choke, kill lines, kelly cocks, inside BOP, etc. will be hydro-tested to the lowest rated working pressure of the equipment being tested. In addition to the rated working pressure test, a low pressure (200 psi) test will be required. These tests will be performed:

- Upon installation
- After any component changes
- Thirty days after a previous test
- As required by well conditions

A function test to insure that the preventers are operating correctly will be performed on each trip.