

EXHIBIT #2

DRILLING PROGRAM

Neuhaus Federal "14" #1
1980' FSL & 990' FEL
of Sec. 14, T-20-S, R-35-E
Lea County, New Mexico

1. Geologic Name of Surface Formation:

Permian

2. Estimated Tops of Important Geologic Markers:

Anhydrite	2030'
Yates	3730'
Queen	4700'
Grayburg	4850'
San Andres	5160'
Delaware	6040'
Bone Spring	8060'
Wolfcamp	11,300'

3. Estimated Depths of Anticipated Fresh Water, Oil or Gas:

Permian Sands	60'	fresh water
Yates	3730'	oil
Delaware	6040'	oil
Bone Spring	8060'	oil
Wolfcamp	11,300'	gas

No other formations are expected to give up oil, gas or fresh water in measurable quantities. The surface fresh water sands will be protected by setting 13-3/8" casing at 500' and circulating cement to surface. Should there be any Potash, it will be protected by setting 9-5/8" casing and circulating cement back to surface. All shallower zones above Total Depth which contain commercial quantities of hydrocarbons will have cement circulated across them by inserting a stage tool into the 7" production casing which will be run to Total Depth.