

OPERATORS NAME:	Meridian Oil Inc.
LEASE NAME AND WELL NO.:	Red Tank Federal # 2 SWD
LOCATION:	542' FSL & 1958' FWL, Sec. 14, T22S, R32E
FIELD NAME:	West Red Tank Federal (Lower Bell Canyon Delaware)
COUNTY:	Lea County, NM
LEASE NUMBER:	NM 35817

The following information is to supplement BLM form 3160-3 Application for permit to drill in accordance with Onshore Oil and Gas Order No. 1:

9 - POINT DRILLING PLAN

1. Name and estimated tops of important geologic formation/marker horizons.

FORMATION	DEPTH
Rustler	970'
T/Salt-B/Salt	1100'-4500'
Delaware	4850'
Bone Spring, LS/Sandstone	8730'

2. Estimated depths at which the top and bottom of formations potentially containing usable water, oil, gas, or prospectively valuable deposits of other minerals are expected to be encountered and the operator's plans for protecting such resources.

Lower Bell Canyon Delaware	5350-6000 (Disposal Interval)
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*Not Productive of Hydrocarbons

3. The operator's minimum specifications for Blowout Preventer (BOP) and related equipment to be used and schematic diagrams thereof showing sizes, pressure ratings, and the testing procedures and testing frequency. BOP and BOP - related equipment (BOPE) schematics shall include schematics of choke manifold equipment. Accumulator systems and remote controls shall be utilized.

11" - 3M psi WP BOP stack to be installed on the 8 5/8" csg. The BOP stack will consist of one blind ram BOP, one pipe ram BOP, and a rotating head. Tested to 3000 psi before commencing operations.