

OPERATORS NAME:	Meridian Oil Inc.
LEASE NAME AND WELL NO.:	Red Tank Federal No. 1
LOCATION:	330' FSL & 1980' FWL, Sec. 14, T22S, R32E
FIELD NAME:	West Red Tank 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	1,100 - 4,500
Delaware Sandstone	4,850'
Bone Spring, LS/Sandstone	8,730

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.

Bone Springs	8730 - 10050 (Oil)
Delaware - Bell Canyon	4850 - 5010 (Oil)
Brushy Canyon - Delaware	8100 - 8550 (Oil)

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.

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