DRILLING PLAN

Attach to APD Form 3160-3

| Operator: | ARCO Oil & Gas Company | |
|-------------------|------------------------|----------------------------|
| Lease & Well No.: | O. C. Federal Com # 1 | |
| Location: | Unit Letter C | |
| | Section 04, T21S, R36E | |
| | Lea County, New Mexico | |
| | Development Well | Exploratory Well <u>XX</u> |

- 1. See Acreage Dedication Plat Form C-102.
- 2. See Form 3160-3 for elevation above sea level of unprepared location.
- 3. The geological name of the surface formation is as follows: Querecho Plains Aeolian material with loose sandy loams and commonly harbor calcareous gravels.
- 4. The type of drilling tools and associated equipment to be utilized will be rotary.
- 5. The proposed drilling depth will be 12000'.
- 6. The estimated tops of important geological markers are as follows:

| Base of Salt | 2500' |
|--------------|--------|
| San Andres | 3900' |
| Wolfcamp | 8000' |
| Strawn | 8400' |
| Atoka | 8850' |
| Devonian | 9100' |
| Ellenburger | 11850' |

7. The estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

| Strawn | 8400' |
|-------------|--------|
| Devonian | 9100' |
| McKee | 10750' |
| Ellenburger | 11850' |

8. The proposed casing program including the size, grade and weight/foot of each string has been indicated on form 3160-3.