EIGHT POINT DRILLING PROGRAM BASS ENTERPRISES PRODUCTION CO.

NAME OF WELL: LITTLE EDDY UNIT #8

LEGAL DESCRIPTION - SURFACE: 800' FNL & 1650' FEL, Section 5, T-21-S, R-32-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 3651' (est) GL 3637'

| FORMATION | ESTIMATED <u>TOP_FROM_KB</u> | | BEARING |
|--|---|--|---|
| T/Rustler T/Salt B/Salt T/Capitan Red T/Delaware T/Brushy Canyon Sd TD | 1366' 1466' 3116' 3446' 5591' 6511' 8500' | +2285' +2185' + 535' + 205' -1940' -2860' -4849' | Barren Barren Barren Water Oil/Gas Oil/Gas |

POINT 3: CASING PROGRAM

| TYPE INTERVALS | | PURPOSE | CONDITION | |
|------------------------|------------|--------------|-----------------------|--|
| 20" | 0' - 40' | Conductor | Contractor Discretion | |
| 11-3/4" 42# WC-40 ST&C | 0' - 1350' | Surface | New | |
| 8-5/8" 32# WC-50 LT&C | 0' - 3200' | Intermediate | New | |
| 5-1/2" 15.5# K-55 LT&C | 0' - 8500' | Production | New | |

POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAMS)

A BOP equivalent to Diagram 1 will be nippled 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:

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

A function test to insure that the preventers are operating correctly will be performed on each trip. See the attached Diagram for the minimum criteria for the choke manifold.

| DEPTH | MUD TYPE | WEIGHT | FV | _PV_ | YP | <u>FL</u> | _Ph_ |
|---------------|-------------|-----------|-------|------|-----|-----------|-----------|
| 0' - 1350' | FW Spud Mud | 8.4-9.0 | 32-38 | NC | NC | NC | 10.0 |
| 1350' - 3200' | BW | 10.0-10.2 | 28-30 | NC | NC | NC | 10.0-10.5 |
| 3200' - 8500' | FW Mud | 8.6-8.8 | 32-34 | 4-6 | 6-8 | 15-25 | 9-9.5 |

POINT 6: TECHNICAL STAGES OF OPERATION

A) TESTING

None anticipated.

B) LOGGING

GR-CNL-DEN and GR-PIL from TD to 8-5/8" casing. GR-CNL from intermediate casing to surface. Sidewall cores may be taken in zones of interest.

C) CONVENTIONAL CORING

None anticipated.

D) CEMENT

| INTERVAL SURFACE | AMOUNT SXS | FT OF <u>FILL</u> | ТҮРЕ | GALS/SX | PPG | FT ³ /SX |
|---------------------|---|----------------------|---|-------------|-------|---------------------|
| Lead 0-1050' | 525 (100% excess circ to surface) | 1050' | Class "C" w/4% Gel + 2% CaCl2 + 1/4#/sk Cello-Seal | 9.14 | 13.51 | 1.74 |
| Tail 1050-1350 | 235 (100% excess circ to surface) | 300' | Class "C" w/2% CaCl2 | 6.32 | 14.82 | 1.34 |
| INTERMEDIATE | | | | | | |
| Lead 0-2700' | 375 (75% excess circ to surface) | 2700 ' | Class "C" w/3% Thrifty Lite + 5% Salt + 1/4#/sk Cello-Se | 16.92 al | 11.70 | 2.80 |
| Tail 2700-3200' | 215 (100% excess circ to surface) | 500 ' | Class "C" | 6.32 | 14.80 | 1.32 |
| PRODUCTION | | | | | | |
| STAGE #1 | | | | | | |
| 6500-8500* | 440 (100% excess) | 2000+ | Class "H" w/8#/sx CSE + .75% CF-14 + .2% Thrifty Lit | 7.90 e | 14.04 | 1.61 |
| STAGE #2 | | | | | | |
| Lead 3000-6000' | 365 (100% excess tie back to int csg | 3000') | Class "C" w/3% Thrifty Lite + 5% Salt + .25#/sx Cello-Se | 16.92 al | 11.70 | 2.80 |
| Tail 6000-6500' | 110 (100% excess) | 50 0' | Class "H" w/8#/sx CSE + .75% CF-14 + 2% Thrifty Lite | 7.90 | 14.04 | 1.61 |

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