

EXHIBIT C
DRILLING FLUID PROGRAM
DUSTY MAC RESOURCES, INC.
MADERA "24" FEDERAL NO. 1
Section 24, T-26-S,R-34-E
Lea County, New Mexico

0-1000'

Spud mud consisting of fresh water gel flocculated with lime. Use ground paper for seepage control and to sweep the hole. MW-8.5 ppg, Vis-40 and pH 10.0.

1000'-5300'

Drill out with brine water circulating the reserve pit. Utilize lime for pH control and ground paper mixed in prehydrated fresh gel sweeps to clean the hole. MW-10.0 ppg, Vis-28 and pH 10.0.

5300'-13000'

Drill out with brine water then add fresh water to cut brine to approximately 9.3-9.4 ppg (90,000 ppm chlorides) and continue circulating the reserve pit. Utilize lime for pH control to 8000' then switch to caustic. Utilize ground paper mixed in prehydrated fresh gel sweeps to clean the hole. MW-9.3 ppg, Vis-28, and pH 10.0.

13000'- 16500'

Drill out with inverted emulsion oil base mud weighted to 12.0 ppg with barite. Increase mud weight as necessary to control abnormally pressured shales or gas through this section. Oil based cuttings and waste will be collected in steel pits and hauled to a BLM approved disposal site for final disposition. MW-12.0 to 15.5 ppg, Vis-45, OWR 80/20.