

American Quasar Petroleum Company

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DETAILED MUD PROGRAM

0' - 50':

AQUAGEL flocculated with Lime for spud mud. Treat with Cottonseed Hulls and FIBERTEX for loss of circulation.

Conductor Casing 20' at 50':

50' - 400':

Maintain spud mud and keep mud treated with HYSEAL for seepage loss of fluid. If severe loss occurs, drill ahead blind to casing point. If necessary to blind drill, load the hole with 100 bbl. of viscous AQUAGEL fluid treated with 12-15 #/bbl fibrous loss of circulation material prior to running and cementing casing. This procedure should help increase the possibility of circulating cement.

Surface Casing 13 3/8" at 400':

400' - 2,500':

Drill with fresh water. Use HYSEAL for seepage loss of fluid. If severe loss occurs, drill ahead blind to casing point. If necessary to blind drill, sweep hole with AQUAGEL, FLOSAL pills to maintain hole free of cuttings. Load the hole with 200 bbl. of viscous AQUAGEL fluid treated with 12-15 #/barrel fibrous loss of circulation material prior to running and cementing casing. This procedure should help increase the possibility of circulating cement.

See attached corrosion inhibitor program.

Intermediate Casing 8 5/8" at 2,500':