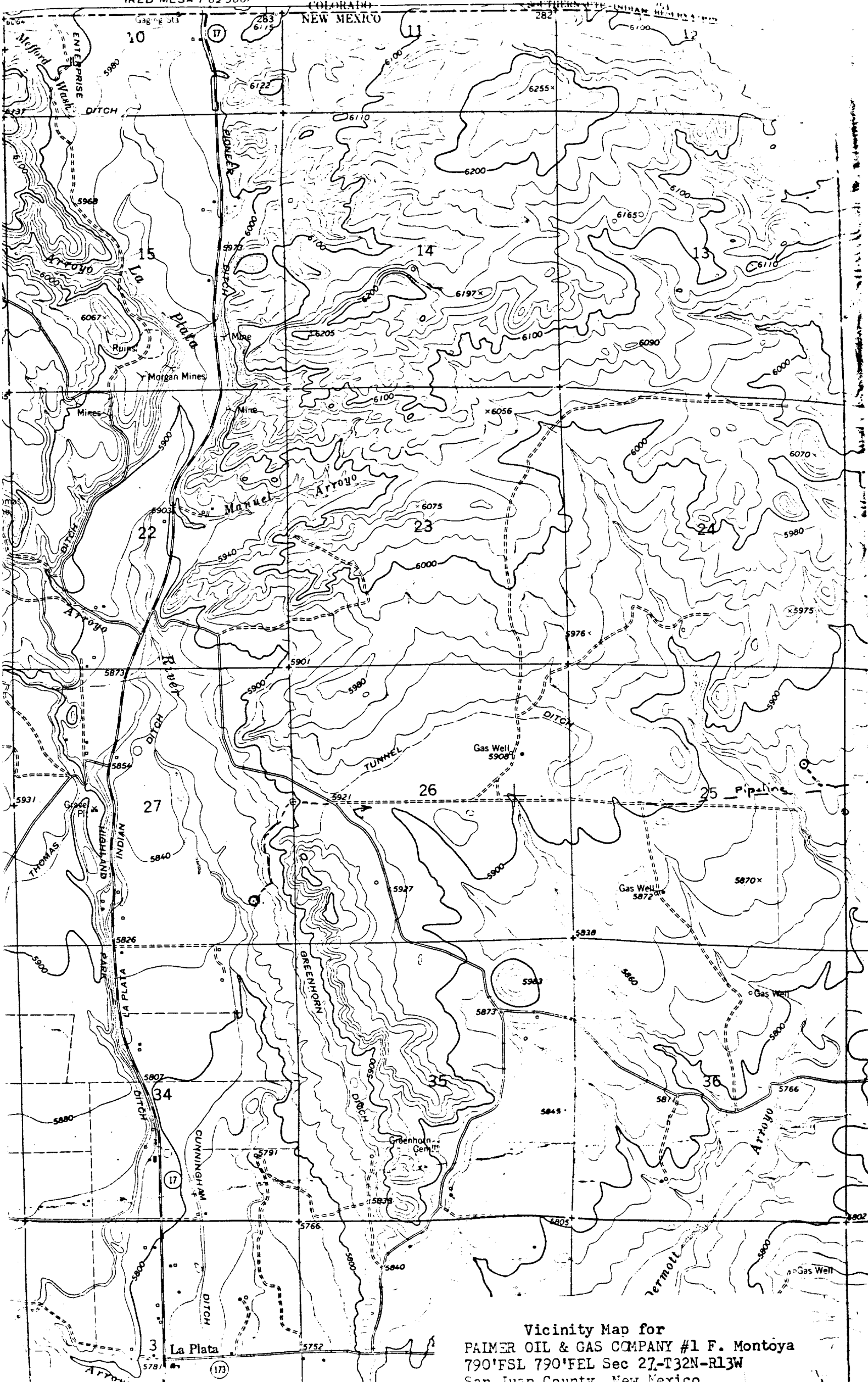




Vicinity Map for
PALMER OIL & GAS COMPANY #1 F. Montoya
790'FSL 790'FEL Sec 27-T32N-R13W
San Juan County, New Mexico

SEVEN POINT WELL CONTROL PLAN

PALMER OIL & GAS COMPANY
F. Montoya 27 #1
SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 27-T32N-R13W
San Juan County, New Mexico

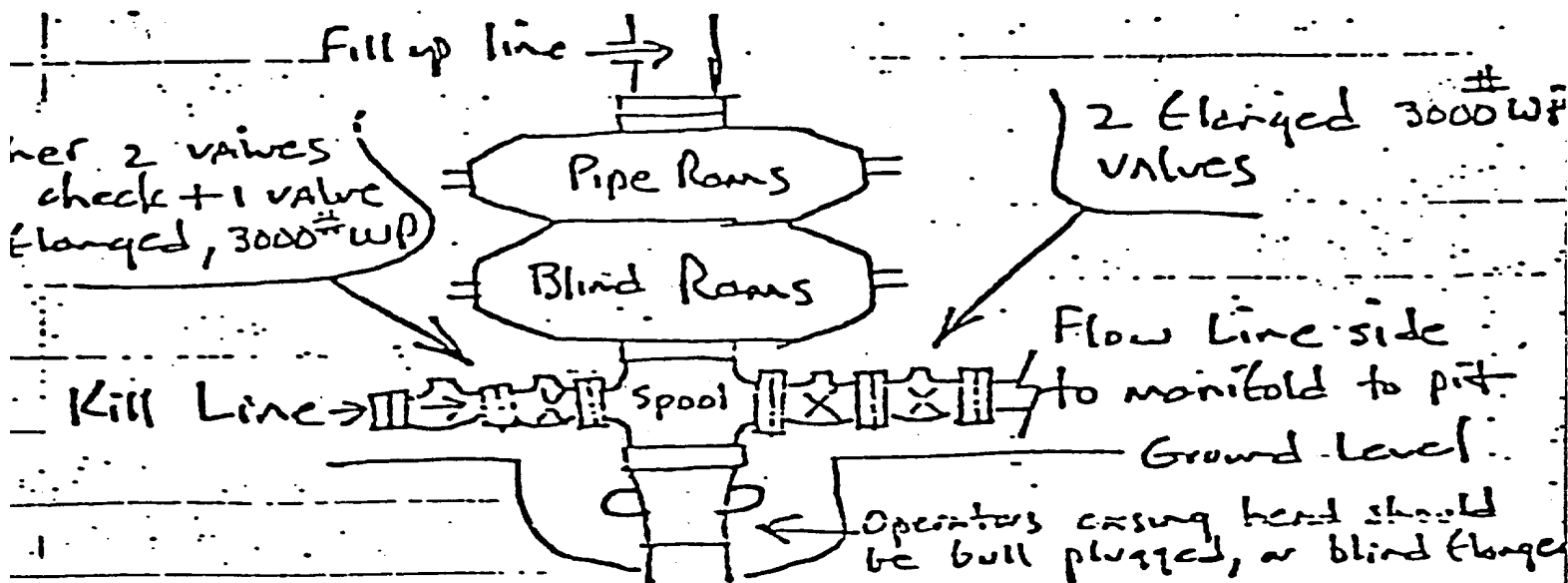
1. Surface Casing: 9-5/8" 36#/ft., Grade K-55, Short T&C, set at 250' and cemented with pump and plug method back to surface.
2. Casinghead Flange: 9-5/8" X 8" 900S top 1500 psig W. P. Larkin (or equivalent) casinghead with two 2" 1500 psi L. P. outlets.
3. 7" intermediate casing will be set to approximately 3900' to case off any possible water from the Picture Cliff formation so as the remaining hole can be gas drilled.
4. Blowout Preventor: An 8" 3000 psig W. P. Double gate hydraulic Shaffer BOP (or equivalent) with drill pipe rams and blind rams. All fill, kill, and choke lines will be minimum of 2" 2000 psi working pressure. The rams will be closed daily and checked for proper operation.
5. Auxillary Equipment: a) Drill pipe floats will be allowed at contractor's discretion; b) Visual and manual monitoring of mud system will be maintained.
6. Anticipated bottom hole pressure is less than 1800 psi at 7600' or a gradient of .24 psi/ft.
7. Well will be drilled with water base mud system with 8.8 - 9.0 ppg weight 35-45 seconds viscosity to 3900' - Gas drilling from 3900' to T.D.

PALMER OIL & GAS COMPANY

By: Robert D Ballantyne
Robert D. Ballantyne

RDB/dkk

LOWOUT PREVENTOR EQUIPMENT



Detail Flow Line Side (manifold)
(All fillings flanged & WP at 3000[#])

