6. Proposed Mud System:

The proposed mud system will be a combination of fresh water, brine, cut brine, and polymer gel. The depth and mud properties of the mud system are listed below.

Depth	Type	Weight (ppg)	Viscosity (sec)	Waterloss (cc)	ph
0-500'	Fresh Water	8.3-8.8	28-30	Not Critical	9-10
500'-4850'	Brine Water	8.8-10.2	28-30	Not Critical	9-10
4850-12,500'	FW/Cut Brine	8.5-9.0	28-30	Not Critical	9-10
12500-13,700'	Polymer/Gel	9.0-10.5	32-36	<10	9-10

Sufficient mud materials to maintain the above mentioned mud properties and meet minimum lost circulation and weight increase requirements will be kept at the location at all times.

7. Auxiliary Well Control and Monitoring Equipment:

- A Kelly cock will be kept in the drill string at all times.
- A full opening drill pipe stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.
- A mud logging unit complete with H2S detector will be monitoring drilling penetration rate and hydrocarbon shows from 4850' to TD.
- PVT/Flo-sensor equipment will be rigged up and operating at 10,000' (prior to drilling into the Wolfcamp formation).

8. Drillstem Testing, Logging and Coring Programs:

- Drillstem tests: Possible test in Morrow Sands to be based on shows encountered while drilling.
- Electric logs: DSN-SDT-DLL-MCGD-LSS: TD to 4850' (DSN-GR to surface). SFT/Sidewall Cores: Zones of Interest
- Coring: None planned