AC 505 623-6862	MARRS MUD a division of Corral, Inc.	COMPANY DEPCO, INC. WELL FEDERAL 632 #2
	1717 West Second St. Roswell, New Mexico 88201	FIELD LOCATION Section 4, T-18-S, R-29-E
	Sales Office 1118 West Aspen Lovington, New Mexico 88260	COUNTYEDDYSTATENEW_MEXICO   PROPOSED DEPTH3,250'

## PROPOSED MUD PROGRAM BY CASING INTERVAL

SURFACE: 0' - 400'

We suggest spudding with water and letting it convert to a native mud system, having a 32-34 Sec/1000cc viscosity. We do not anticipate any problems in this interval.

INTERMEDIATE: 400' - 3250'

Drill from below the surface casing with saturated brine water circulating the reserve pit. This fluid should be adequate to drill to 3100', where we suggest coming back into the working pits and mudding up with a Salt gel to have a drilling fluid with the following properties:

> Mud Weight- 10.0 -10.1 PPG Viscosity - 38 - 40 Sec./ 1000cc Fluid Loss - No Control

This fluid should be adequate for safe drilling and logging at total depth.

ESTIMATED MUD COST: \$2,000.00 - \$2,500.00

The estimated mud cost is under normal conditions and does not include any extensive loss of circulation, fishing, etc. This cost is also based on normal drilling rate per day, therefore, any excessive time spent on drilling due to crooked hole, testing, breakdowns, etc., would increase mud cost.