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Production: Approximately 12,500' of 4-1/2" 11.6# N-80 S-95 LT&C new casing will be cemented with sufficient volume (estimated 700 sx) to cover all pay. Cement will be Class H with 0.5% fluid loss additive and also contain 5% KCL.

Choke, kill, and fill lines are as indicated on Exhibit I. BOPs will be tested with rig pumps prior to drilling below the 8-5/8" casing shoe. BOPs will be tested by an independent concern prior to reaching 10,000'. BOPs will be worked at least once each day, with blind rams worked only on trips.

- 6. Circulating Medium and Control Equipment
  - 0-850' Will drill 17½" hole with fresh water spud mud, while circulating through a small portion of the plastic lined reserve pit. Mud weight of 8.6-9.2 PPG with viscosity of 15-90 will be utilized to keep the hole clean. Some loss circulation material will most likely be required, also.
  - Will drill 12½" hole with brackish and brine water. Will periodically "sweep" hole with higher viscosity pills. Will circulate through a controlled portion of the lined reserve pit while using mud weight of 9.4-10.1 PPG with 28-34 viscosity.
  - 4200-12,500 Will drill 7-7/8" hole to approximately 9000' with fresh water and gradually convert to cut brine system. After converting to brine system at 9500' or so, will drill to total depth with salt water gel, polymer, low solids system. Maximum mud weight of 10.2 PPG with 35-45 viscosity should easily contain all permeable formations.

A full opening safety valve, to fit the drill string in use, will be kept on the rig floor at all times. Kelly cock, safety valve, choke, and kill lines will be tested at the same time that BOP tests are run. Additionally, a float will be run in the drill string (just above the bit) after BOPs are tested by independent concern.

7. Although no coring program is planned for this well, several drill stem test possibilities exist. Possible test intervals include:

| Wolfcamp     | 10,100'-10,300' |
|--------------|-----------------|
| Strawn       | 10,900'-11,100' |
| Atoka        | 11,400'-11,500' |
| Morrow B-II  | 11,800'-12,150' |
| Morrow B-III | 12,150'-12,350' |

The logging program will consist of a gamma ray log from total depth to surface. Neutron-density-caliper and dual induction logs will be run from approximately 4200' to total depth. There is a slight possibility that sonic and lateral logs may be run from 850' to 4200', entirely dependent upon possible "shows". A hydrocarbon mud logger will be utilized from 1800' to total depth.