

DRILLING PROGRAM
PACER 28 FEDERAL #1

8 5/8" Intermediate - Stage collar at 2500'. First stage 400 sxs Class "C" Poz followed by 200 sxs Class "C". Second stage 500 sxs Class "C" Poz followed by 200 sxs Class "C". TOC @ surface.

5 1/2" Production - Stage collar at 9500'. First stage 500 sxs Super "H" modified. Second stage 750 sxs Class "C" Poz followed by 350 sxs Class "H". T.O.C. @ 4350'.

6. PRESSURE CONTROL EQUIPMENT : A blowout preventer stack for the intermediate hole will consist of at least an annular preventer rated to 3000 psi working pressure. The blowout preventer stack for the production hole will consist of at least a double-ram blowout preventer and an annular preventer rated to 5000 psi working pressure. A sketch of the B.O.P.'s and Choke Manifold are attached.

7. CIRCULATING MEDIUMS : Fresh water spud mud 0' – 680'. Brine water 680' – 4450'. Cut brine mud system 9.0 – 9.3 ppg with 29 viscosity will be used 4450' – 12500'.

8. AUXILIARY EQUIPMENT : Full opening Kelly cock valve to fit the drill string in use, will be kept on the rig floor at all times.

9. TESTING, LOGGING, AND CORING PROGRAM :

Samples	- 4450' – 12500'
D.S.T.'s	- Morrow Possible
Logging	- Gamma Ray – CNL – FDC – DLL
Coring	- No coring is planned

10. ABNORMAL PRESSURES AND TEMPERATURES : None anticipated. Maximum bottom hole pressure should not exceed 5395 psi.

11. ANTICIPATED STARTING DATE : Drilling will commence about September 1, 2001. Drilling should be complete within 35 days. Completion operations (perforations and stimulation) will follow drilling operations.