

KUKUI OPERATING COMPANY  
 HIGHLANDS "14" FEDERAL # 1  
 UNIT "F" SECTION 14  
 T19S-R21E EDDY CO. NM

9. CEMENTING & SETTING DEPTH:

14"	Conductor	Set 40' of 14" conductor pipe and cement to surface with Redi-mix.
9 5/8"	Surface	Set 1360' of 9 5/8" 36# J-55 ST&C casing. Cement with 600 Sx. of Class "C" Light weight cement + additives, tail in with 200 Sx. of Class "C" + 2% CaCl + 1/4# Flocele/Sx. circulate cement to surface.
5 1/2"	Production	Set 7950' of 5 1/2" 17# N-80 LT&C casing. Cement with 1000 Sx. of Class "C" 50/50 POZ + additives. Cement top to be at least 500' above upper most productive zone. estimate top of cement 1200'.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 900 Series 3000 PSI working pressure B.O.P. consisting of an annular bag type preventor, middle blind rams and bottom pipe rams. The B.O.P. will be nipped up on the 9 5/8" casing and tested to API specifications. The B.O.P. will be operated at least once in each 24 hour period and the blind rams will be operated when drill pipe is out of hole on trips. Full opening stabbing valve and upper kelly cock will be utilized. Exhibit "E-1" shows a hydraulically operated closing unit and a 2" 3000 PSI choke manifold with dual adjustable chokes. No abnormal pressures or temperatures are expected.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD SYSTEM
40-1360'	8.8-9.5	28-34	NC	Fresh water mud use paper to control seepage.
1360-5850'	8.8-9.5	28-38	NC	Cut brine use paper to control seepage soda to control pH and high viscosity sweeps to clean hole.
5850-7950'	8.8-9.5	28-38	10 cc or less	Same as above using Dris-pac to control water loss.

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's, open hole logs, and casing viscosity and/or water loss may have to be adjusted to meet these needs.