

SHELBY FEDERAL NO. 2

Mud Program - Typical

Set 8-5/8" casing at 1600'

Drill 0 to 8500' w/a chemically treated mud having the following properties:

Weight	8.8 - 9.3#/gal
viscosity	34 - 40 sec/liter
Water Loss	20.0 cc or less
PH	9.0 - 10.0

By 8500' and to TD of 10,700' - the mud should have the following characteristics:

Weight	9.0 - 9.3#/gal
Viscosity	38 - 40 Sec/liter
Water Loss	5.0 cc down to 10,000' than 3.0 cc to TD
PH	9.0 - 9.5

No severe lost circulation or geo-pressured zones are expected.