

## Con't... POINT 6: TECHNICAL STAGES OF OPERATION

### D) CEMENT

#### \*INTERMEDIATE

INTERVAL	AMOUNT SXS	FT OF FILL	TYPE	GALS/SX	PPG	FT <sup>3</sup> /SX
1 <sup>st</sup> Stage: (Circ 150 sx to surface)						
Lead	1300	2515	Halco Lite + 2% CaCl <sub>2</sub> + 1/4#/sx Flocele	12.09	12.59	2.24
Tail	100	200	Class C + 2% CaCl <sub>2</sub>	6.34	14.80	1.34
2 <sup>nd</sup> Stage: (Circ 12 sx to surface)						
Lead	150	420	Halco Lite + 2% CaCl <sub>2</sub> + 1/4#/sx Flocele	12.09	12.59	2.24
Tail	100	280	Class C + 2% CaCl <sub>2</sub>	6.34	14.80	1.34

#### PRODUCTION (Two stage w/DV tool @ 6500' and circulate cement to surface)

INTERVAL	AMOUNT SXS	FT OF FILL	TYPE	GALS/SX	PPG	FT <sup>3</sup> /SX
1 <sup>st</sup> Stage						
6500'-12,637' (50% excess)	1175	6137	Poz H + 0.5% FL-25 + 0.5% FL-52 + 2 pps Salt	6.36	14.00	1.36
2 <sup>nd</sup> Stage						
LEAD						
0'-6000' (50% excess)	550	6000	Poz H + 10% Gel + 5% Salt + 0.2% FL-52	12.09	12.59	2.24
TAIL						
6000'-6500' (50% excess)	100	500	Class C Neat	6.34	14.80	1.34

\* Surface & Intermediate was cemented in place during previous drilling (6/78).

### E) DIRECTIONAL DRILLING (See attached directional plan.)

A straight hole will be re-drilled and drilled to 9100' TVD. A gyro survey or multi-shot survey will be taken every 100' from 9100' to surface.

Directional surveys will be provided at least every 200' from TD to 9100' detailing hole location. See attached directional plan.

## POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout the Delaware, Bone Spring & Wolfcamp sections. The Strawn expected BHP is 9100 (max) or an equivalent mud weight of 13.3 ppg @ TD. Due to the tight nature of the reservoir rock (high pressure, low volume), the well will be drilled under balanced utilizing a rotating head. The expected BHT at TD is 205°F. Prior to penetrating the abnormal pressures in the Strawn, mud-monitoring equipment will be installed and operative. No H<sub>2</sub>S is anticipated.