Application for Permit to Drill Government U No. 2

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	BOP drills will be conducted as necessary to assure that equipment is operational and each crew is properly trained to carry out emergency duties.
	Accumulator shall maintain a pressure capacity reserve at all times to provide for the close-open-close sequence of the blind and pipe rams of the hydraulic preventers.
	A mud/gas separator and rotating head will be installed after setting the 9- 5/8" casing and be operable before drilling into the Wolfcamp formation.
12. Mud Program:	
0'- 600'	Fresh water spud mud. Gel flocculated with lime. Paper for seepage. Vis 35-45 sec.
600' - 3000'	Brine water. Wt. 10.0-10.2 ppg, Vis 28-31 sec, pH 9.5-10.5 with lime. Paper for seepage control.
3000' - 8500'	Fresh water. Wt. 8.4-8.7 ppg, vis 28-31. Lime for pH control. Paper for seepage.
8500' - 11460'	Displace hole @ 8500' w/9.8-10.0 ppg BW. Mud up @ 9800' using gel for viscosity and starch for water loss to the following characteristics: Wt. 10.0-10.5# per gal, vis 36-42 sec, WL 10-20 cc.
Mud system monitoring equipment with derrick floor indicators and visual and audio alarms shall be installed and operative before drilling into the Wolfcamp formation and used until production casing is run and cemented. Monitoring equipment shall consist of the following:	

- A. A recording pit level indicator to determine pit volume gains and losses.
- B. A pit volume totalizer for accurately determining mud volumes necessary to fill the hole on trips.