POINT 5: MUD PROGRAM

DEPTH	MUD TYPE	WEIGHT	FV	PV	YP	FL	Ph
0' - 750'	FW Spud Mud	8.5 - 9.2	35-40	NC	NC	NC	NC
750' - 3050'	BW	9.6 - 10.0	29-30	NC	NC	NC	NC
3050' - 4800'	FW Mud	8.6 - 8.8	34-40	10-14	12-18	<5	9-9.5

POINT 6: TECHNICAL STAGES OF OPERATION

A) TESTING

Drill stem tests will be performed on significant shows in Delaware.

B) LOGGING

GR-CNL-LDT, GR-DIL-MSFL run from TD (4800') to 3050', GR-LSS run from TD (4800') to surface. FMI over Delaware Sands of interest from 4800' to 3050'.

C) CORING

No cores are anticipated.

D) CEMENT

INTERVAL	AMOUNT SXS	FT OF FILL	TYPE	GALS/SX	PPG	FT/SX
Surface	470 (100% excess circ to surface)	750	Class "C" with 2% CaCl2 and 1/4 ppg Cello-Flake	6.3	14.8	1.32
Intermediate	950 (100% excess w/TOC @ 250')	2800	Class "C" with Salt	6.3	14.8	1.32
Production	232 (25% excess)	2250	Class "C" w/additives for Wtr Loss Control	10.6	13.2	1.92

E) DIRECTIONAL DRILLING

No directional services anticipated.

POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout Delaware section.

BHP 2146 psi max or ECD of 8.6 ppg, BHT 100°

Lost circulation can occur from surface to 2500'.

H_2S has been measured @ 12,000 ppm max in the Delaware - H_2S safety equipment will be installed at 3050'.

Deviation can be a problem from 1000' to 3000' and will be monitored closely.