Dailey International Inc.

Procedure to Sidetrack and Control the Preston Federal #25

- 1 Move in and rig up drilling rig, nipple up and test stack.
- 2 Rig up and run a gyro on 50' intervals from 0' 6,850' + to establish an accurate bottom hole location and a welbore profile to give us an indication where the hole should be at the top of the Morrow formation.
- 3 Rig up and pull 4 1/2" casing from approx. 6,841' and lay down same.
- 4 Pick up a bit and 8- 8 1/2" D.C.s to clean out to the top of the drill pipe stub. (We may have to mix L.C.M. to get the well stable enough to pour a cement plug to sidetrack off of.)
- 5 Pour a good quality cement from 6.400' to 6,800' (400' plug will give us enough displacement even if the cement should fall down hole a little.)
- 6 W.O.C. 24 hrs. (While we are W.O.C. we can pick up the rest of the D.C.s we are going to need to drill with.)
- 7 After 18 hrs. trip in to the top of the cement and tag up and see if the cement has fallen back or if has stayed on the spot. (If it has fallen to far we may have to re-cement). Dress cement to desired K.O.P.
- 8 Trip out and pick up an 8 3/4" Diamond sidetrack bit, 6 1/2" bent housing motor, N.M.D.C., and rig collars and trip in and start time drilling with a due north tool face and sidetrack the welbore.
- 9 Drill with this assy, for approx, 45' or until the webore is sidetracked in a due north direction.
- 10 Trip out and pick up a 1 degree bent housing motor (slo-speed) and with the use of a wet connect steering tool obtain approx. 25' of separation between welbores and get the angle down to what the old well had in it at that depth.
- 11 Trip out and make a clean up run with a packed hole assy, with a rathole guide on bottom to lead this assy, thru the sidetrack and ream to bottom.
- 12 Trip out and put a bit on the bottom of this same assy, and trip in to drill. Drill with this B.H.A. and run single shot surveys to monitor the angle and direction of the new welbore.
- 13 If the new well starts to drift away from the proposed direction, we can make a short correction run if needed.
- 14 If 7" casing has to be run we can reduce hole size and continue monitoring the new well with single shots.(At T.D. a continuous survey should be run to comply with Commission Rulings.)