

Sufficient mud materials to maintain mud properties and meet minimum lost circulation will be kept at the wellsite at all time.

7. Auxiliary Well Control and Monitoring Equipment:

- A) A kelly cock will be kept in the drill string at all times.
- B) A full opening drill pipe stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.
- C) A mud logging unit complete with H₂S detector will be continuously monitoring drilling penetration rate and hydrocarbon shows from 2800' to TD.

8. Logging, Testing and Coring Program:

- A) Drillstem tests will be run on the basis of drilling shows.
- B) The electric logging program will consist of Dual Induction DIL and GR-Sonic from TD to intermediate casing and GR-Compensated Neutron-Density from TD to surface. Selected SW cores will be taken in zones of interest.
- C) No conventional coring is anticipated.
- D) Further testing procedures will be determined after the 5 ½" production casing has been cemented at TD based on drill shows, and log evaluation, and drill stem test results.

9. Abnormal Conditions, Pressures, Temperatures, & Potential Hazards:

No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature (BHT) at TD is 115°F and estimated maximum bottom-hole pressure (BHP) is 1900 psig. Hydrogen sulfide gas at concentrations up to 150 ppm and rates of up to 10 mcf per day were observed at the producing location Cawley "A" #1 approximately 1200' South of this location. No major loss circulation zones have been reported in immediate offsetting wells.

10. Anticipated Starting Date and Duration of Operations:

Road and location work will not begin until approval has been received from the BLM. The anticipated spud date is September 12, 2001. Once commenced, the drilling operations should be finished in approximately 30 days. If the well is productive, an additional 30 days will be required for completion and testing before a decision is made to install permanent facilities.