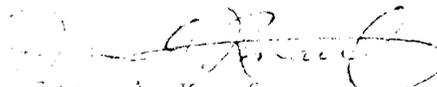


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drilling into and Wolfcamp formation
and used until production casing is run and cemented. Monitoring
equipment shall consist of the following:

- (1) A recording pit level indicator to determine pit volume gains and losses.
 - (2) A mud volume returned device for accurately determining mud volume necessary to fill the hole on trips.
 - (3) A flow sensor on the flow-line to warn of any abnormal mud returns from the well.
6. When coming out of the hole with drill pipe, the annulus shall be filled with mud before the mud level drops below 150 feet. The volume of mud required to fill the hole shall be watched, and any time there is an indication of seeping, or influx of formation fluids, proper blowout prevention precautions must be taken. The mud shall not be circulated and conditioned except on or near bottom, unless well conditions prevent running the pipe to bottom.
7. A copy of these requirements shall be posted on the rig floor or in the dog house during the drilling of the well.


James A. Knauf
District Engineer

License No. AM 0754996
Well Mobil Oil Corp. 1-Federal 2700
Drill Site 1980/N&W 24-23S-16F
Depth 12,000' Morrow
Approved 7-24-73