FORMATION DRILLING PROBLEMS & COMMENTS

Surface to 700' (16" casing point)

Possible severe lost circulation zone 500' - 700'

700' - 5200' (10 3/4" casing point)

Salt sections prevalent 1700' - 5000'. Use brine water as drilling fluid to reduce hole enlargement in salt section. Possible moderate lost circulation 700' - 5100'

5200' - 12700' (7 5/8" casing point)

Possible lost circulation zones in Bone Springs 8700 - 9000'. Maintain mud weight at 8.3 ppg. Mud up prior to logging and setting casing.

12700' - 14150' (5" OD liner point)

15

Abnormal pressure zone. Use 12.8 ppg mud and weight up as necessary. Attached is a plot showing the formation pressure gradient, and proposed mud weight for the subject well.