

Cementing Program:

Surface Casing: 10-3/4" casing set to approx. 1530', cemented with 1150 sxs Class C.

Production Csg: 7-5/8" casing set to approx. 8857' cemented with 882 sxs Class H. When well P&A, casing was cut @ 4518' and pulled 4339'. Energex utilizes cement in sufficient quantities to bring the cement into the 10-3/4" casing. This is normally completed in two (2) stages. The first stage is normally 600 sacks 50/50 Poz with 5# salt and 1/4# Flocele per sack. The second stage normally consists of 500 sacks of 50/50 Poz with 5# salt and 1/4# Flocele per sack.

5. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP shown in Exhibit "A" will consist of a double ram-type (3000 psi WP). Both units will be hydraulically operated and the ram-type preventer will be equipped with blind rams on top and 4 1/2" drill pipe rams on bottom. Both BOP's will be nipped up on the 10-3/4" surface casing and used continuously until TD is reached. Before drilling out of the existing 7-5/8" casing, the ram-type BOP and accessory equipment will be tested to 3000 psi and the hydril to 70% of rated working pressure (2100 psi).

Pipe rams will be operationally checked with each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A 2" kill line and 3" choke line will be included in the drilling spool located below the ram-type BOP. Other accessories to the BOP equipment will include a kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold with 3000 psi WP rating.

6. Types and Characteristics of the Proposed Mud System:

Surface to TD (5300')

Brine and fresh water with salt gel and starch will be used to maintain a viscosity of approximately 31 and a water loss of 15 to 25.

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the well site at all times.

7. Auxiliary Well Control and Monitoring Equipment:

A. A kelly cock will be kept in the drill string at all times.