

## DRILLING PROCEDURE

POKER LAKE UNIT NO. 52  
EDDY COUNTY, NEW MEXICO

Location: 660' FNL, 1980' FWL, Sec. 33, T25S, R31E

Conductor Casing: 40'+ of 30" conductor casing will be set with a rathole machine and cemented to the surface with ready-mix.

Surface Hole: A 24" OH will be drilled to 775'+ (T/Rustler) and 20", 94#/ft, H-40 csg run to a total depth. The surface casing will be cemented with + 900 sx Halliburton Lite followed by 150 sx Class "C" with appropriate additives. Cement will be circulated to the surface.

Total WOC time is 8 hours.

Nippling Up 20" Casing: After waiting 4 hours, "nippling up" procedures may begin. A 20" SW 3000# WP x 20" 2000# WP casinghead will be welded in place. A set of hydraulic operated pipe and blind rams will then be installed (see BEPCO III attached) and tested to 1000 psi with the rig pump.

The results of this test must be reported in the daily driller's log.

Intermediate Hole: A 17-1/2" OH will be drilled to 4150'+ with 10 ppg BW (T/Lamar Lime). 13-3/8" casing will be run to TD and cemented with approximately 4000 sx Halliburton Lite plus appropriate additives, "tailed-in" with 150 sx Class "C" with appropriate additives. Cement will be circulated to the surface.

Total WOC time is 12 hours.

Nippling Up 13-3/8" Casing: After waiting 4 hours, "nippling up" procedures may begin. The 20" casinghead will be removed and a 13-3/8" SW 5000# WP casinghead installed.

A BOP stack consisting of hydril, pipe rams and blind rams will be installed as per BEPCO Drawing IV (attached). This BOP stack will be hydrostatically tested to 5000 psi (Hydril 1500#) by Yellow Jacket. The USGS will be notified in sufficient time to witness the testing of the 13-3/8" BOP stack. A copy of the test results will also be furnished to the USGS.

The results of this test will be recorded in the daily driller's log.

Production Hole: A 12-1/4" OH will be drilled to 12,500'+. The drilling fluid will be fresh water to 11,495'+ and 10 ppg brine from T/Wolfcamp (11,495'+) to 12,500', with variations in mud weight as dictated by formation pressures. A PVT recorder, flow show sensor, and rotating head will be installed before drilling the Wolfcamp.