

EXHIBIT "B"

Lotos Federal #3
Proposed Drilling Fluids Program

1. Surface to 600': Use fresh water, native mud to clean out surface hole.
2. 600-4400': mud weight 10-10.2, Viscosity 32-34.
Use commercial brine, paper, and caustic for PH control.
3. 4400-8400': mud weight 8.5-8.6, Viscosity 32-36.
Use fresh water and gel for viscosity as needed. Use paper to control lost circulation. Lime or caustic for PH control.