## Lily "ALY" Federal #7 Page 2

## B. CEMENTING PROGRAM: Surface Casing: Set with 500 sacks "Class C" with 2% CaCl2 with weight of 14.8 ppg and yield 1.32 cu.ft/sack, circulated to surface.

Intermediate Casing: Lead slurry of 1000 sacks "Lite C" with 10# salt, 1/4# Cellocel with weight of 12.7 ppg and yield 1.98 cu.ft/sack. Tail slurry of 250 sacks "Class C" With 2% CaCl2 with weight of 14.8 ppg and yield 1.32 cu.ft/sack circulated to surface.

Production Casing: First stage with 175 sacks "Class H" + 8# sack CSE + 0.6% CF-14 + 5# sack Gilsonite + 0.35% thiftylite with weight of 13.6 ppg and yield 1.32 cu.ft/sack to about 7100'.

2nd Stage: DV tool set at approximately 7100'. Cement with 425 sacks "Class C" with 10# sack CSE, 1/4# sack cellocel with weight of 11.5 ppg and yield 2.25 cu.ft/sack followed by 300 sacks "H", 8# sack CSE, 0.5% CF-14 + 0.35% thiftylite with weight of 13.3 ppg and yield 1.82 cu.ft/sack calculated to tie back to intermediate casing.

5. Mud Program and Auxiliary Equipment:

| <u>Interval</u> | <u>Type</u>      | <u>Weight</u> | <u>Viscosity</u> | Fluid Loss |
|-----------------|------------------|---------------|------------------|------------|
| 0 - 500'        | FW/Gel LMC       | 9.1 ppg       | 32               | N/C        |
| 500' - 4200'    | Brine            | 10.0 ppg      | 28               | N/C        |
| 4200' - 6500'   | Cut Brine        | 8.7 ppg       | 28               | N/C        |
| 6500' - 8300'   | Starch/Cut Brine | 8.7-8.9 ppg   | 28               | 15cc       |

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked tourly by rig personnel.

## 6. EVALUATION PROGRAM:

| Samples: | Every 10' from surface casing to TD.  |
|----------|---|
| Logging: | CNL-LTD from TD to casing, with GR-CNL up to surface; DLL from TD to casing.          |
| Coring:  | None anticipated.   |
| DST's :  | Any tests will be based on the recommendation of the well site Geologist as warranted |
|          | by drilling breaks and shows.   |

7. ABNORMAL CONDITIONS:

No abnormal temperatures or pressures are anticipated. No H2S has been reported or known to exist from previous drilling in this area at this depth.

8. ANTICIPATED STARTING DATE:

Plans are to drill this well as soon as possible after receiving approval. It should take approximately 15 days to drill the well with completion taking another 15 days.