

**EXHIBIT "B"**  
**Proposed Drilling Fluids Program**  
**Lotos Federal #4**  
**2310' FSL & 2310' FEL**  
**Sec. 9, T24S, R31E, Eddy Co., NM**

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.     **4400-8500': 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.**