

Enron Oil & Gas Company
S.D.S. "11" Federal, Well No. 1
2090' FNL & 1980' FWL
Sec. 11, T24S, R31E
Eddy County, New Mexico

6. Types and Characteristics of the Proposed Mud System:

The well will be drilled to TD with a combination of brine, cut brine, and polymer/KCl mud system. The applicable depths and properties of this system are as follows:

<u>Depth</u>	<u>Type</u>	<u>Weight (ppg)</u>	<u>Viscosity (sec)</u>	<u>Waterloss (cc)</u>
0-600'	Fresh water (spud)	8.5	40-45	N.C.
600'-4200'	Brine water	10.0	30	N.C.
4200'-TD	Cut Brine & polymer/KCL	8.8-9.2	28	N.C.

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

7. Auxiliary Well Control and Monitoring Equipment:

- (A) A kelly cock will be kept in the drill string at all times.
- (B) A full opening drill pipe stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.
- (C) An electronic pit-volume-totalizer system will be used continuously below 8000' to monitor the mud and pump system. The drilling fluids system will also be visually monitored at all times.
- (D) A mud logging unit complete with H2S detector will be continuously monitoring drilling penetration rate and hydrocarbon shows from 4200' to TD.