

AMERICAN QUASAR PETROLEUM CO. OF NEW MEXICO
OJO CHISO UNIT NO. 2

American Quasar
13,800 ft. Morrow Prospect
Sec. 15, Twp. 22-S, Rng. 34-E
Lea County, New Mexico

Proposed Mud and Casing Program

0-400' - Spud with a fresh water, Macogel and Lime type
drilling fluid (40 to 50 scc/1000 cc Viscosity).

Surface Casing 400' - 20" casing in 26" hole.

400-4,600' - Clear brine water using Flosal slugs as required
to sweep hole clean. Wt. 10 lbs./gal.

First Intermediate 4,600' - 13 3/8" casing - 17 1/2" hole

4,600-11,300' - Clear fresh water from 4,600' to 8,000' and switch
to a controlled brine water system (9.1 to 9.3
lbs./gal.).

Second Intermediate 11,300' - 9 5/8" casing - 12 1/4" hole

11,300-13,800' - Premixed brine water, KCl, X-C Polymer, Drispac,
My-Lo-Gel type drilling fluid weighing 10.0 to
11.5 lbs./gal.

Production 11,100' - 13,800' - 5 1/2" liner - 8 1/2" hole

This program is designed to give maximum hole stability and formation protection, rate of penetration and geological data recovery, while maintaining density to control expected formation pressure and rheology for hole cleaning while maintaining the ECD as low as possible.