PAGE 2

Eland Energy, Inc. Federal 1 X #3 695' FSL & 745' FWL Sec. 3, T. 9 S., R. 26 E. Chaves County, New Mexico

cemented. Upper and lower Kelly cocks with valve handle and subs to fit all drill string connections which are in use will be available on the rig floor.

Tests will be run when:

- 1) installed
- 2) anytime a pressure seal is broken (test only affected equipment)
- 3) at least every 30 days
- 4) blind & pipe rams will be activated each trip, but no more than daily

BOP systems will be consistent with API RP 53. Blowout preventers will be installed and tested before drilling surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated daily to ensure good mechanical working order and this inspection recorded on the daily drilling report. Preventers and casing will be pressure tested before drilling casing cement plugs. Maximum expected bottom hole pressure is $\approx 2,650$ psi. BOP and mud system will control pressure.

4. CASING & CEMENT

Hole Size	<u>O.D.</u>	Weight (Ib/ft)	Grade	Age	Connections	GL Setting Depth
12-1/4"	8-5/8"	24	J-55	New	ST&C	1,100'
7-7/8"	4-1/2"	11.6	J-55	New	LT&C	6,360'

Surface casing will be cemented to surface with \approx 717 cubic feet (\approx 350 sacks) Class C "Lite" + 2% CaCl₂ mixed at 2.05 cubic feet per sack and \approx 262 cubic feet (\approx 200 sacks) Class C + 2% CaCl₂ mixed at 1.32 cubic feet per sack. Total volume of 979 cubic feet = 115% excess. Seven centralizers will be used (one on the shoe joint and every 160' to surface).

Production casing will be cemented to 5,100' with \approx 323 cubic feet (\approx 250 sacks) Class C 50/50 Poz mixed at 1.29 cubic feet per sack. Sixteen centralizers will be used (one on the shoe joint and every 80' to 5,100'). Excess = 12%.

