AC 505 523-6862	MARRS MUD a division of Corral, Inc. 1717 West Second St. Roswell, New Mexico 88201 Sales Office 1118 West Aspen Lovington, New Mexico 88260	JOMPANY	Depco, Inc.		
		WELL	Coquina Fed. #1		
		FIELD			
		LOCATION	Section 4, T-16-S, R-28-E		
		COUNTY	Eddy	STATE New Mexico	
		PROPOSED DI	е ртн 9,40	00'	

Weight - 8.8 to 9.0 PPG Viscosity - 38 to 40 Sec./1000^{cc} Fluid Loss - No Control Oil Content - 2 to 3%

This type drilling fluid should be sufficient to drill to 7,500' with exception of viscosity which may need altering as hole conditions dictate.

At 7,500', we recommend taking a water loss control of the drilling fluid and we suggest the following drilling fluid characteristics:

> Weight - 9.1 to 9.3 PPG Viscosity - 43 to 45 Sec./1000^{CC} Fluid Loss - 15 to 20 ML Preservative - 1/4 to 1/2 PPB

Prior to logging, we suggest raising viscosity to 48 to 50 Sec./1000^{CC}. This type of drilling fluid should be sufficient to drill, test and log, with the exception of weight and viscosity, which may need altering as hole conditions dictate.

ESTIMATED MUD COST: \$23,000 to \$25,000

The estimated mud cost is under normal conditions and does not include any extensive loss of circulation, fishing, etc. This cost is also based on a normal drilling rate per day, therefore, any excessive time spent on drilling due to crooked hole, testing, breakdowns, etc., would increase mud cost.