

8. Estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered:

Primary Objective: Morrow 8800' TVD

Secondary Objective: Atoka 8500' TVD

9. The proposed casing program is as follows:

Surface: 8-5/8" 32# K55 ST&C new casing from 0-1800'

Production: 4-1/2" 11.6# N80 LT&C new casing from 0-9200'

10. Casing setting depth and cementing program:

- A. 8-5/8" intermediate casing set at 1800' in 11" hole. Circulate cement with 350sx 35:65 POZ/C w/ 6% Bentonite + 2% CaCl_2 + .25#/sx Cello-Seal followed by 200sx Class C w/ 2% CaCl_2 .

If hole conditions dictate, a DV tool may be run to ensure that the intermediate string is cemented to surface.

If cement does not circulate, a temperature survey will be run to find the TOC and then finish cementing to surface through 1" using Class C with 2% CaCl_2 .

Note: Cement volumes may be adjusted according to fluid caliper.

- B. 4-1/2" production casing set at 9200'. Cement with 750sx 15:61:11 POZ/C/CSE w/ .5% FL-25 + .5% FL-52 + 8#/sx Gilsonite followed by 75sx Class C w/ .7% FL-25.

Estimated top of cement is 5300'.

Note: Cement volumes may need to be adjusted to hole caliper.

11. Pressure Control Equipment

0' - 1800' None

1800' - 9200' 11" 5000# ram type preventers with one set blind rams and one set pipe rams and a 5000# annular type preventer. A choke manifold and 120 gallon accumulator with floor and remote operating stations and auxiliary power system. Rotating head below 6000'. Exhibit A.

A kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor.