SL: 185' FSL & 2,240' FEL, Sec 34 BHL: 330' FNL & 1,800' FEL, Sec 27

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1. Geologic Formations

TVD of target	10,693'	Pilot hole depth	NA
MD at TD:	20,618'	Deepest expected fresh water:	50'

Basin

Formation	Depth (TVD) from KB	Water/Mineral Bearing/ Target Zone?	Hazards*
Quaternary Fill	Surface		
Rustler	870'	Water	
Top of Salt	1,200'		
Base of Salt	2,800'		
Delaware (Lamar)	4,870'	Oil/Gas	
Bell Canyon			
Cherry Canyon			
Manzanita Marker			
Brushy Canyon			
Bone Spring	8,740'	Oil/Gas	
1 st Bone Spring Sand	9,760'	Oil/Gas	
2 nd Bone Spring Sand	10,400'	Target Zone	
3 rd Bone Spring Sand		Will Not Penetrate	
Abo			
Wolfcamp			
Devonian			
Fusselman			
Ellenburger			
Granite Wash			

^{*}H2S, water flows, loss of circulation, abnormal pressures, etc.

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2. Casing Program

Hole	Casin	g Interval	Csg.	Weight	Grade	Conn.	SF	SF	SF Jt	SF Body
Size	From	То	Size	(lbs)			Collapse	Burst	Tension	Tension
17.5"	0'	895'	13.375"	48	H40	STC	1.65	3.72	7.5	12.59
12.25"	0'	3,453'	9.625"	36	J55	LTC	1.13	1.96	2.55	4.54
	3,453'	4,393'		40	J55		1.13	1.73	9.69	16.75
	4,393'	4,795'		40	N80		1.24	2.31	45.85	56.99
8.75"	0'	11,028'	7"	26	P110	LTC	1.39	1.78	2.26	2.89
6.125"	10,275'	20,618'	4.5"	13.5	P110	LTC	1.47	1.71	2.42	3.02
				BLM Min	imum Safe	ty Factor	1.125	1	1.6 Dry	1.6 Dry
						-			1.8 Wet	1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Must have table for contingency casing

	Yorl
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Is casing API approved? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

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3. Cementing Program

Casing	# Sks	Wt. lb/ gal	Yld ft3/ sack	H ₂ 0 gal/ sk	500# Comp. Strength (hours)	Slurry Description
Surf.	480	12.5	2.12	11	10	Lead: Class C + 4.0% Bentonite + 0.6% CD-32 + 5% Sodium Chloride + 0.25lb/sk Cello-Flake
	200	14.8	1.34	6.3	8	Tail: Class C + 0.005 pps Static Free + 1% CaCl2 + 0.25 pps Cello Flake + 0.005 gps FP-6L
Inter.	760	12.5	2.12	11	10	Lead: Class C (35:65:4) + 5% Sodium Chloride + 5#/sk LCM + 0.25 lb/sk Cello Flake
	200	14.8	1.34	6.3	8	Tail: Class C + 0.25 lb/sk Cello Flake + 0.005 lb/sk Static Free
Prod.	350	12.5	2.12	11	9	Lead: Class C (60:40:0) + 15.0 lb/sk BA-90 + 4.0% MPS-5 + 3.0% SMS + 5.0% A-10 + 1.0% BA-10A + 0.8% ASA-301 + 2.9% R-21 + 8.0 lb/sk LCM-1 + 0.005 lb/sk Static Free
	400	15.6	1.18	5.2	10	Tail: Class H + 0.65% FL-52 + 0.1% R-3 + 0.005 lb/sl Static Free
Liner	410	11.2	2.97	17	16	Class C (60:40:0) + 4% MPA5 + 1.2% BA10A + 10#/sk BA90 + 5% A10 + 0.65% ASA301 + 1.5%SMS + 1.2% R21

A copy of cement test will be available on location at time of cement job providing pump times & compressive strengths.

Casing String	TOC	% Excess
Surface	0'	100%
Intermediate	0'	25%
Production	4,595'	25%
Liner	10,275'	25%

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4. Pressure Control Equipment

-		 			
	Variance: None				

BOP installed and tested before drilling which hole?	Size?	System Rated WP	Т	уре	1	Tested to:
			An	nular	X	1,250#
			Blin	d Ram		
12-1/4"	13-5/8"	2M	Pipe	e Ram		
			Doub	ole Ram		
			Other*			
			An	nular	X	1,500#
			Blind Ram		X	
8-3/4"	11"	3M	Pine Ram X	3 000#		
			Doub	ole Ram		3,000#
			Other*			
			An	nular	X	2,500#
			Blin	d Ram	X	
6-1/8"	11"	5M	Pip	e Ram	X	5,000#
			Doub	ole Ram		3,000#
			Other*			

^{*}Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

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X	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.
	A variance is requested for the use of a flexible choke line from the BOP to Choke
N	Manifold. See attached for specs and hydrostatic test chart.
	Are anchors required by manufacturer?
N	A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after
	installation on the surface casing which will cover testing requirements for a maximum of
	30 days. If any seal subject to test pressure is broken the system must be tested.
	Provide description here
	See attached schematic.

5. Mud Program

	Depth	Type	Weight (ppg)	Viscosity	Water Loss	
From	To					
0	895'	FW Gel	8.6-8.8	28-34	N/C	
895'	4,795'	Saturated Brine	10.0-10.2	28-34	N/C	
4,795'	10,275'	Cut Brine	8.5-9.3	28-34	N/C	
10,275'	20,618'	Cut Brine	9.3-10.0	28-34	N/C	

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

What will be used to monitor the loss or gain	Visual Monitoring
of fluid?	

6. Logging and Testing Procedures

Logg	ing, Coring and Testing.
X	Will run GR/CNL from KOP (10,275') to surface (horizontal well – vertical portion of
	hole). Stated logs run will be in the Completion Report and submitted to the BLM.
	No Logs are planned based on well control or offset log information.
	Drill stem test? If yes, explain
	Coring? If yes, explain

Additional logs planned		Interval		
X	Gamma Ray	10,275' (KOP) to TD		
	Density			
	CBL			
	Mud log			
	PEX			

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7. Drilling Conditions

Condition	Specify what type and where?		
BH Pressure at deepest TVD	5,595 psi		
Abnormal Temperature	No		

Mitigation measure for abnormal conditions. Describe. Lost circulation material/sweeps/mud scavengers in surface hole.

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

H2S is present

H2S Plan attached

8. Water & Waste Volumes

Fresh Water Required: 35,000 bbl

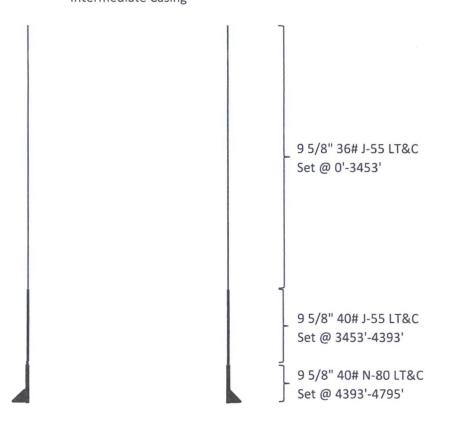
Waste Water: 35,000 bbl Waste Solids: 1,850 bbl

9. Other facets of operation

Is this a walking operation? If yes, describe. Will be pre-setting casing? If yes, describe.

Attachments
___ Directional Plan
___ Other, describe

Bilbrey 34/27 B2MD Fed Com #1H Intermediate Casing



	SF	SF	SF Jt	SF Body
Casing	Collapse	Burst	Tension	Tension
36# J-55	1.13	1.96	2.56	4.54
40# J-55	1.13	1.73	9.83	16.75
40# N-80	1.24	2.32	48.25	59.97