PRODUCTION: 9700' of 5 1/2"

Suggest drilling out from under 8 5/8" casing with "Fresh Water" using Caustic Soda for a pH of 10.0 to 10.5 down to 7400' where we recommend mudding up with a Salt Water Gel, Soltex and Oil type drilling fluid with the following characteristics:

Weight: Viscosity: Water Loss: Oil:

9.6 to 9.8 p.p.g. 38 to 40 sec/1000 cc No Control 8 to 10%

This type drilling fluid should be sufficient to drill to 9200' where we recommend reducing the water loss to 15 cc or less and maintain to total depth.

COMMENTS:

1. The Abo in this area has a history of being very troublesome, so careful attention should be given to the viscosity and oil content and care should be taken on trips.

ESTIMATED MUD COST: \$25,000.00 to \$30,000.00

This cost is based on normal drilling and does not include down time due to fishing jobs, heaving Red Bed or shale or the cost of oil.

Yours very truly,

MAVERICK MUD SERVICE, INC.

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