

SHREVE OIL COMPANY
DRAUGHT PROPOSALS

LEASE: USA-Moleen Unit

WELL NO: 1

DISTRICT: Midland

FIELD:

PROJECTED: 11,500'

EST. DEPTH: 3670' DF

LOCATION: 660' FSI & 660' N. 31, R-18-E, T-32-E, Lea County, New Mexico

DRILLING, CASING AND CEMENTATION:

1. Drill 17 $\frac{1}{2}$ " hole to approximately 650'
2. Cement 13 3/8", 48% gel, J-55, STW casing @ 650' w/sufficient 50-50 Incor Pozmix w/2% gel to circulate. Run bar centralizers on float shoe and bottom 2 joints. A guide shoe and insert float will be run.
3. If float valve holds, release pressure, WOC 6 hrs., install BOP, and nipple up.
4. After WOC 12 hrs., pressure test casing w/1000 psi for 30 min. and drill out.
5. Drill 11" hole to approximately 3225'.

NOTE: Loss of circulation may be encountered between 3000' and 3500'. If severe at this location, hole may be "dry drilled" to intermediate point or air equipment may be used. Do not exceed 20,000# bit weight and 60 rpm until last three drill collars are below casing shoe. Air equipment, if used, shall be at company expense.

6. At Intermediate Point, run 8 5/8" OD casing as follows:

0 - 3225' - 32 1/2" ID, J-55, STW

A guide shoe will be used with insert float in second collar. Weld-on bar centralizers will be run on shoe and float two collars.

7. Cement with approximately 200 ex 50-50 Pozmix-Incor w/6% gel followed by 100 ex Incor containing 2% calcium chloride. Exact cement volume will be determined by caliper survey. Cement must fill to base of salt section. Condition mud ahead of cement with 1 1/2% sodium dichromate and 0.2% caustic soda per barrel.
8. If float holds, leave casing as cemented, release pressure and nipple up BOP. WOC 12 hrs., pressure test casing to 1000 psi for 30 min. and drill out out. Do not exceed 20,000# weight on bit and 60 rpm until last three drill collars are below casing shoe.
9. Drill 7 7/8" hole to approximately 11,500'.