

PHILLIPS PETROLEUM COMPANY

Odessa, Texas

In re: Proposed Mud Program—Lusk Deep Unit A, Well No. 13 - Morrow Test
Section 18, T-19-S, R-32-E, Lea County, New Mexico

Surface: 850' of 13-3/8" Casing

Spud with Bentonite, lime and Flosal* mixed to a high viscosity.

Intermediate: 4500' of 8-5/8" Casing

Drill out with brine water and circulate through controlled section of the reserve pit. Maintain viscosity 31-33 sec/qt with Flosal and brine. Severe loss can be expected in the interval 2800'-3500'. Should this occur, it may be necessary to "dry drill". Maintain mud for running of casing.

From 4500' to 10,000':

Drill this section with fresh water while circulating through the reserve pit. Use Flosal to clean hole.

From 10,000' to 11,800':

Return to steel pits; reduce total hardness, then mix Bentonite, Flosal and Driscose to maintain these mud properties. 34 to 36 sec viscosity. Fluid loss 20 cc or less, wt. 9# per gal. Use LCM as needed.

From 11,800' to 12,500' T.D.:

Reduce fluid loss to 5cc or less with Drispac, and maintain viscosity 36-40 sec, wt. 9# + or -.

* A trademark

THMcL:jb