

When coming out of the hole with drill pipe, the annulus shall be filled with mud before the mud level drops below 150 feet. The volume of mud required to fill the hole shall be watched, and any time there is an indication of swabbing, or influx of formation fluids, proper blowout prevention precautions must be taken. The mud shall not be circulated and conditioned except on or near bottom, unless well conditions prevent running the pipe to bottom.

A copy of these requirements shall be posted on the rig floor or in the dog house during the drilling of the well.

6. TYPE AND MUD SYSTEM CHARACTERISTICS:

From	To	Wt. Lbs/Gals	WL	Vis	Type Mud
0	400	8.6 - 8.9	NC	33-35	Gel-Lime
400	2500	9.8 - 10.0	NC	28-32	Sat Brine-Lime
2500	3100 (TD)	10.0 - 10.0	15	34-40	Salt Gel Caustic Soda

8. Anticipate no drill stem tests. Such tests, if later determined necessary, will be conducted under established prudent industry practice.

Schlumberger: Cased Hole CNL - Surf - 3100-TD

9. No abnormal pressures, temperatures or hydrogen sulfide gas is expected.

Sun has drilled four wells in the area: (1) Shearn Federal #1; (2) Jennings Federal #1; (3) Sloan Federal #1; (4) Jennings Federal "A" #1 and (5) Jennings Federal "B" #1.

10. Estimated starting date: As soon as possible - subject to approval of permit and data presented herein.

  
H. L. Bethancourt  
District Drilling Manager