

6. Types and Characteristics of Proposed Mud System:

The well will be drilled to a total depth using fresh water, brine and polymer mud systems.

<u>DEPTH</u>	<u>TYPE</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>WATER LOSS</u>
0'-7700' (Drill out cmt plugs and clean out to side track depth)	Fresh Water	8.8	34-36	No control

Side-tracking & drilling operation:

7700-10,200'	Cut Brine Water	8.8	28	No Control
10,200-11,300'	Cut Brine Water	9.6-9.8	28	No Control
11,300'-TD	Brine Water	9.8-10.2	32-34	<10CC

7. Logging, Testing and Coring Program:

- A. Drill stem tests will be based on geological sample shows (with one DST possible in both the Wolfcamp and Strawn).
- B. The open hole logging program will be:

Comp. Neutron / Lithodensity Log/ Dual Lateral/ MSFL/ Digital Sonic/ FMI and Sidewall Cores.
- C. No conventional coring is planned.

8. Abnormal Pressures, Temperature and Potential Hazards:

No abnormal pressures or temperatures are foreseen. The anticipated bottom hole temperature at total depth is 165 degrees and maximum bottom hole pressure is 5000 psig. No hydrogen sulfide gas has been reported or is known to exist at these depths in this area. No major loss circulation intervals have been encountered in adjacent wells.

10. Anticipated Starting Date and Duration of Operations:

Road and location preparation will not be undertaken until approval has been received from the BLM. The anticipated reentry date is approximately November 20, 1996. The drilling operations should require approximately 20 days. If the well is deemed productive, completion operations will require, at minimum, an additional 30 days of testing to ascertain whether permanent production facilities will be constructed.