Page 2 Exhibit "B" continued

38.Pressure Control Equipment:

The BOPE will be a Shaffer type double gate preventer Series 900 - 3000# W.P. <u>Exhibit</u> "C" is a schematic diagram of the minimum blowout preventer stack that will be used. The BOP's will be hydraulically tested to half the working pressure after nippling up and after any use under pressure. Pipe rams will be operationally checked each 24 hour period, as will the blind rams each time pipe is pulled out of the hole. Such checks will be noted on the daily tour reports.

Accessories to the BOPE will include an upper kelly cock, floor safety valve, and choke manifold with pressure rating equivalent to the BOP stack.

38.Mud Program:

Surface: Fresh water native spud mud. Production: Brine Envirodrill-NS.

Depth	Mud Weight	<u>Viscosity</u>	API Filtrate
0' - 400'	8.4 - 8.8 ppg	32 - 36 sec	No Control
400' - 4300'	10.0 - 10.1 ppg	28 - 30 sec	No Control

38. Auxiliary Equipment:

- An upper kelly cock valve will be used in the kelly.
- A safety valve will be on the floor at all times, to be stabled into the drill string when the kelly is not in the string.
- H2S compliance package will be installed prior to drilling the Grayburg formation to monitor the system for H2S.

38. Testing, Logging, and Coring Program:

- No drill stem tests are anticipated.
- No open hole logs will be run, a cased hole CNL/Spectral GR will be run prior to completion.
- No coring is anticipated.