

MESCALERO RIDGE 26 UNIT #11  
 DRILLING PLAN  
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4. Casing Program

| <u>Hole Size</u> | <u>Interval</u>  | <u>Casing OD</u> | <u>Weight</u> | <u>Grade</u> | <u>Type</u>   |
|------------------|------------------|------------------|---------------|--------------|---------------|
| 17 1/2"          | 0' - 40'         | 14"              |               | Conductor    | 0.30" wall    |
| 12 1/4"          | 0' - 1500'       | 8 5/8"           | 24#           | J-55         | ST&C, new R-3 |
| 7 7/8"           | 0' - TD (6000'±) | 5 1/2"           | 15.5#         | J-55         | ST&C, new R-3 |

Cementing Program

|                           |                                                                                                                                                                                                       |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14" Conductor Casing:     | Cement with Ready-mix to surface.                                                                                                                                                                     |
| 8 5/8" Surface Casing:    | Cement to surface: 500 sks Lite (35% Poz, 65% Class C, 6% gel) with 2% CaCl <sub>2</sub> and 1/4 lb/sk Cellophane flakes + 200 sks Class C with 2% CaCl <sub>2</sub> and 1/4 lb/sk Cellophane flakes. |
| 5 1/2" Production Casing: | Cement to 1300': 550 sks Lite ( 35% Poz, 65% Class C, 6% gel) with 5 lb/sx salt and 1/4 lb/sk Cellophane flakes + 500 sks Class C with 3% salt, .5% Fluid Loss, 1/4 lb/sk Cellophane flakes.          |

The cement volumes for the 5 1/2" casing could be revised pending the caliper measurement from the open hole logs.

5. Minimum Specifications for Pressure Control

The blowout preventor equipment (BOP) shown in Exhibit #1 will consist of a (3M system) double ram type (3000 psi WP) preventor and a bag-type (Hydril) preventor (3000 psi WP). Both units will be hydraulically operated and the ram type preventor will be equipped with blind rams on top and 4-1/2" drill pipe rams on bottom. Both BOP's will be installed on the 8 5/8" surface casing and utilized continuously until total depth is reached. As per BLM Drilling Operations Order #2, prior to drilling out the 8-5/8" casing shoe, the BOP's and Hydril will be function tested.