

3. The operator's minimum specifications for pressure:

Operator's minimum specification for pressure control, Exhibit H, is a schematic diagram of the BOP stack. Ram type preventers will be tested to the rated working pressure of the stack or to 70% of the minimum internal yield of the casing, whichever is less. Annular-type preventers will be tested to 50% of their working pressure. Tests will be run at the time of installation, prior to drilling out of each casing shoe and at least every 14 days of first trip out of hole after 14 days since previous pressure test. Pipe rams will be operationally checked each 24 hour period and blind rams with annular preventer each time pipe is pulled out of hole. Accessories to the BOP's include an upper and lower kelly valve with handle, floor safety valve, remote control panel, accumulator (Exhibit G), drill string and choke manifold (Exhibit J) with pressure rating equivalent to the BOP stack. The accumulator shall have sufficient capacity to open the hydraulically-controlled choke line valve (if so equipped), closed all rams plus the annular preventer, and retain a minimum of 200 psi above the precharge on the closing manifold without the use of the closing unit pumps. There will be a fill up line above the annular preventer which is the uppermost preventer into the drilling nipple. BHP at T.D. is 2650 psi.

4. The proposed Casing and Cementing Program:

A. CASING PROGRAM

<u>CASING</u>	<u>HOLE SIZE</u>	<u>CSG SIZE</u>	<u>WT/FT</u>	<u>GRADE</u>	<u>CPLG</u>	<u>SETTING DEPTH</u>	<u>COND</u>
Surface	14-3/4"	11-3/4"	42	H-40	8RS	^{350'} 300'	New
Inter.	11"	8-5/8"	28	HCK-55	8RS	4600'	New
Prod.	7-7/8"	5-1/2"	15.5	K-55	LT & C	8100'	New

Surface and intermediate casing strings will be cemented back to surface and both strings of casing will be tested to 1000 psi.

Surface casing cement will be circulated back to surface. (100% excess)

Intermediate casing string will be cemented from 4600 to surface. (50% excess)

Production csg will be cemented from TD to 6000' (30% excess over caliper log)