

7. Types and characteristics of the mud system: The well will be drilled to T.D. with a combination of brine, cut brine and polymer/KCl mud system. The applicable depths and properties of this system are as follows:

<u>Depth</u>	<u>Type</u>	<u>Weight Viscosity</u>		<u>Waterloss</u>
		<u>(ppg)</u>	<u>(sec)</u>	<u>(cc)</u>
0 - 2900'	fresh water (spud)	8.5	40 - 45	n.c
2900' - T.D.	cut brine	8.8 - 9.2	28	n.c

Sufficient mud materials to maintain mud properties and meet minimum circulation loss and weight increase requirements will be kept at the site at all times.

8. Auxiliary Well Control and Monitoring Equipment:

- A. A kelly cock will be kept in the drill string at all times.
- B. A full-opening drill pipe stabbing valve (inside B.O.P.) with proper drill pipe connections will be on the rig floor at all times.
- C. A mud logging unit complete with hydrogen sulfide detector will continuously monitor drilling penetration rate and hydrocarbon shows to T.D.

9. Logging, Testing and Coring Program:

- A. Drill stem tests may be run on the basis of drilling shows.
- B. The electric logging program will consist of GR-CNL from T.D. to intermediate casing, and GR-CNL from T.D. to surface. Selected cores may be taken in zones of interest.
- C. No conventional coring is anticipated.
- D. Further testing procedures will be determined after the 5-½" production casing has been cemented at T.D., based on drill shows, log evaluation, and drill stem tests.

10. Abnormal Conditions, Pressures, Temperatures, or Potential Hazards: No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature at T.D. is 140 degrees Fahrenheit. The estimated maximum bottom hole pressure is 3500 psig. No hydrogen sulfide is known to exist at this depth in this area. No major circulation loss zones have been reported in offsetting wells.

11. Anticipated Starting Date and Duration of Operations: Road and location work will begin after receiving B.L.M. approval. The anticipated spud date is December 2, 1996. Once commenced, the drilling operations should be finished in approximately 30 days. If the well is productive, an additional 30 days will be required for completion and testing before a decision is made to install permanent facilities.