POGO PRODUCING COMPANY COVINGTON "A" FEDERAL # 20 UNIT "I" SECTION 26 T22S-R32E LEA CO. NM

9. Cementing and Setting Depth:

| 20'' | Conductor | Set 40' of 20" conductor and cement to surface with Redi-mix. |
|-------------------|--------------|--|
| 10 3/4" | Surface | Set 850' of 10 3/4" 32.7# H-40 ST&C casing. Cement with 750 Sx. of Class "C" cement + additives, circulate cement to surface. |
| 7 5/8" | Intermediate | Set 4600' of 7 5/8" 26.4# J-55 ST&C casing. Cement with 1250 Sx. of Light & Premium cement + additives, circulate cement to surface. |
| 4 ¹ 2" | Production | Set 9100' of 4½" 11.6# J-55 & N-80 LT&C casing as follows: 2100' of 11.6# N-80, 6000' of 11.6# J-55, 1000' of 11.6# N-80. Cement with 1425 Sx. of cement, estimate top of cement 4000'. |

10. Pressure Control Equipment: Exhibit "E". A 900 Series 3000 PSI working pressure B.O.P. consisting of a double ram type preventor with a bag type annular preventor BOP un-t will be hydraulically operated. Exhibit "E-1". Choke manifold and closing unit. BOP will be nippled up on 10 3/4" casing and will be operated at least once each 24 Hr. period while drilling and blind rams will be operated when out of hole during trips. Flow sensor, PVT, full opening stabbing valve and upper kelly cock will be utilized. No abnormal pressure or temperature is expected while drilling.

| Tioposed Mud Circulating System: | | | | |
|----------------------------------|-----------|-------|------------|---|
| Depth | Mud Wt. | Visc, | Fluid Loss | Type Mud |
| 40-850' | 8.6-8.8 | 29-34 | NC | Fresh water spud mud add paper to control seepage, use high high viscosity sweeps to clean hole |
| 850-4600' | 10.2-10.5 | 29-36 | NC | Brine water, using paper to control seepage, lime for pH control, high viscosity sweeps to clean hole. |
| 4600- 9100' | 8.6-8.8 | 29-36 | NC | Fresh water, use Gel for vis- cosity, & paper for seepage. |

11. Proposed Mud Circulating System:

Sufficient mud materials to maintain mud properties, meet lost circulation and weight increase requirements will be kept at well site at all times. In order to log well and run casing the viscosity may have to be raised and the water loss lowered in order to do so.