

11. Proposed Mud Circulating System:

Depth	Mud Wt.	Mud Visc.	Fluid Loss	Type Mud
0- 400	8.8 - 9.5	35-40	NC	Spud Mud. add paper for seepage.
400-1500	8.8 -10.	28	NC	Spud Mud. Cut Brine, Start adding Brine @ 1200'.
1500-3400	10.1 -10.2	28	NC	Brine water, add lime for pH. Paper for seepage.
3400-3800	10.0 -10.4	34-36	12-15	Add Zeogel for viscosity & Impermex for water loss control.

12. Testing, Logging, and Coring Programs: (A) Mud logging to begin @ 3000' end at TD 3800'. (B) No coring or DST's planned. (C) Open hole logs, Compensated Density, Gamma Ray, Neutron and Caliper from TD to 2000'.

13. Potential Hazards:

No abnormal pressures of temperature zones expected (nothing abnormal in offset wells or other wells in the area). Hydrogen sulfide gas is not anticipated, however, precautions for detection will be observed. No major lost circulation is expected (none reported in this area). SEE ADDENDIUM

14. Anticipated Starting Date and Duration of Operation:

Commence ASAP: 4 weeks to complete.

15. Other Facets of Operations: After running casing, cased hole gamma ray collar correlation logs will be run from total depth over possible pay intervals. The Yates, Seven Rivers pay will be perforated and stimulated. The well will be swab tested and potentialized as a gas well.