Darius "ADS" Federal #1 Page 2

Production Casing: Stage 1: 650 sx "H", 5# Gilsonite, 5# CSF.

2nd Stage: 850 sx "Lite C", 5# Salt, 5# Gilsonite, .25# Celloseal, and 100 sx "C" circulate to surface

5. Mud Program and Auxiliary Equipment:

Interval.	Type	<u>Weight</u>	<u>Viscosity</u>	Fluid Loss
Spud 650'	FW Gel, Paper LCM	8.6 - 9.6	32 - 36	N/C
650' to 4800'	Brine	10.0-10.2	28	N/C
4800' to 9600 '	Cut Brine	8.9-9.1	29-31	<15cc
575				

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will e available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

6. EVALUATION PROGRAM:

Samples:20' samples from surface to 4300'; 10' samples from 4300' to TD.Logging:CNL/LDT, to TD to casing with GR/CNL to surface; DLLW/RXO, TD to casing;Coring:NoneDST's:None

7. Abnormal Conditions, Bottom hole pressure and potential hazards Anticipated BHP:

From:	0'	To:	650'	Anticipated Max. BHP:	300 PSI
From:	650'	To:	4800'	Anticipated Max. BHP:	2500 PSI
From:	4800'	To:	9000'	Anticipated Max: BHP	3500 PSI

Abnormal Pressures Anticipated: None

Lost Circulation Zones Anticipated: None

H2S Zones Anticipated: None

Maximum Bottom Hole Temperature: 140° F

8. ANTICIPATED STARTING DATES

Anticipated starting date: As soon as possible after approval with the drilling time being approximately 15 days and the completion time being another 20 days.