

HORIZONTAL PRODUCTION HOLE:

1. Rig up Phoenix Drilling Company. Adjust plan to target as necessary. Trip in the hole with Phoenix Drilling's curve building assembly. This will be a 4-3/4" insert bit, 3-3/4" PDM, float sub/orienter combo, 2-flexible monel collars, 2-7/8" 8.7 #/ft P-105 (BTS-6) tubing in the horizontal hole and 2-7/8" AOH drill pipe in the vertical hole).
2. Build curve to estimated target depths and angles as follows:

True Vertical Depth	6977'
Measured Depth	7037'
Final Angle	84.29 degrees
Target Azimuth	90 degrees East
Build Rate	45 degrees/100'
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- Drill the curve sliding and rotating as necessary to stay on target. It is recommended that after each slide, the bit be pulled back and washed through the slide. Once the curve is built, rotate through the curve section noting tight spots and fill. Make at least one short trip prior to tripping out of the hole.
3. Trip in the hole with Phoenix Drilling's lateral assembly. This will be a 4-3/4" PDC bit, 3-3/4" articulated motor, float sub/orienter combo, 2 - flexible monel collars, 2-7/8" 8.7 #/ft P-105 (BTS-6) tubing in the horizontal hole and 2-7/8" AOH drill pipe in the vertical hole.
4. Drill +/- 2600' of horizontal hole. Actual targets will be determine from open hole logs in the vertical section of the hole and will change with distance. **It is highly recommended that a Texaco geologist (Charles Sadler) be present on location during the drilling of the entire horizontal section.**
5. Continue drilling the horizontal section per the Texaco Geologist recommendations.