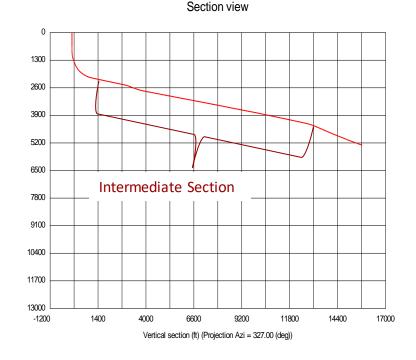
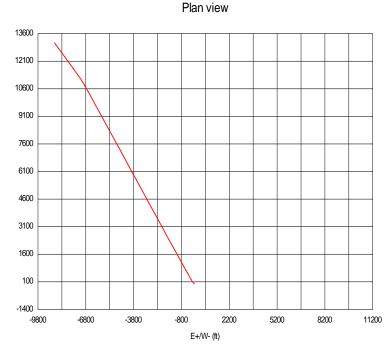
HXR DRILLING SERVICES

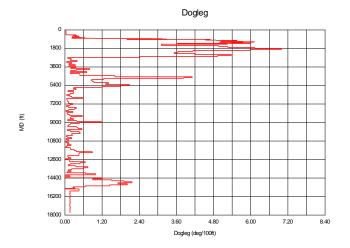
ERD Well Design

Platform Development Floated "Mud-Over-Air" Casing









Intermediate Section

4523' - 15465' MD / 2483.2' - 4579.6' TVD

80° Landing Dropping to 72° Over Structure Top

43.5 ppf Casing / 3812 psi Collapse

10 ppg MW in Pipe

Design Comparisons:

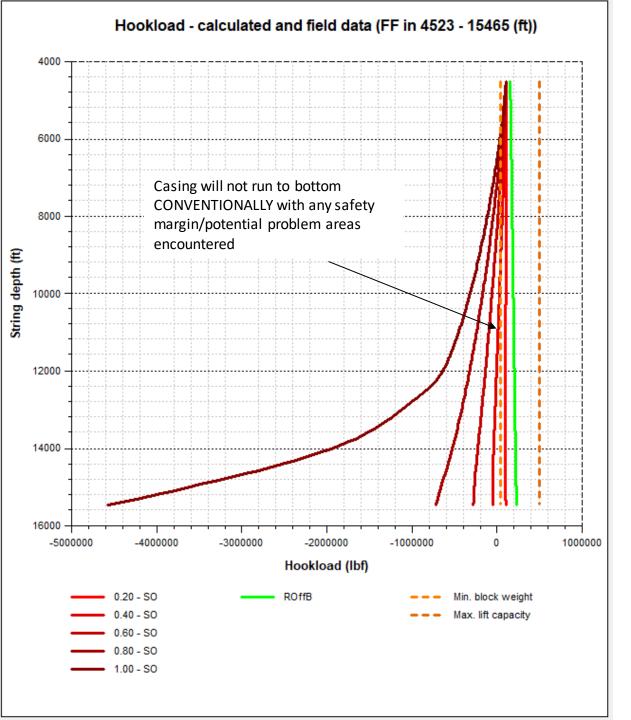
Conventional vs Floated "Mud-Over-Air" Rotated

Hookload - calculated and field data (FF in 4523 - 15465 (ft)) SO, ROffB: casing flotation RIH Empty String depth (ft) 10000 **Begin Rotation** 12000 nstall Flotation Collar. Begin Fill Pipe – Continue Rotation 14000 End Rotation – RIH Filling Pipe -100000 100000 200000 300000 400000 500000 Hookload (lbf) 1.00 - SO

Floated "Mud-Over-Air" Casing Run

The ability to rotate partially empty casing provides significant flexibility in well design: Going further, easier.

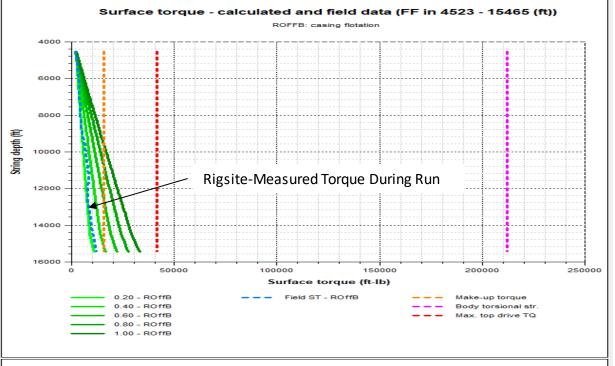
Additionally, it gives the drilling team another tool to run pipe through problematic zones by allowing the pipe to be reamed/rotated through tight spots and over ledges versus the conventional approach of simply trying to work the pipe. That practice runs the risk of swabbing/surging the formation, which can cause selfinflicted instability.

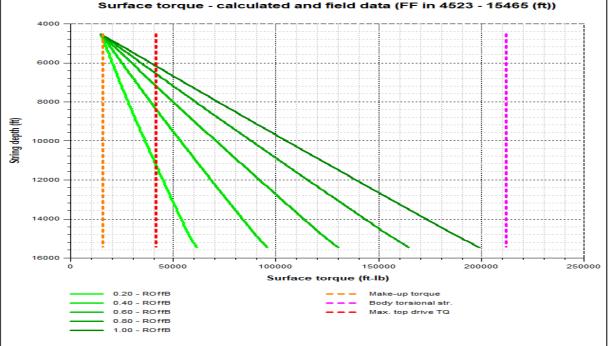


Conventional Casing Run

Typically, ERD Developments don't start off very "ERD" – the first wells usually have a shorter stepout, and allow the drilling team to shake things out, see how the models match up, recalculate rock properties, etc.

The calibrations and FF's measured in those shorter wells can be used for the planning of longer wells. In this scenario, using WBM offshore, we knew we'd not only cross unstable faults that would have to be reamed, but the S/O HKLD FF would be in the .30 range.





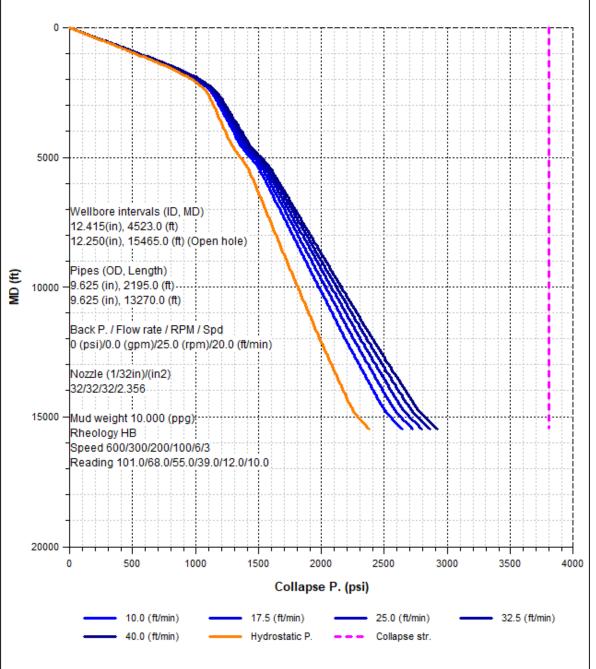
Floated Casing Torque

• ~.22 Torque FF During Run

Conventional Casing Torque

Torque is above TDS Max Torque

Surge: Collapse P. with floated casing

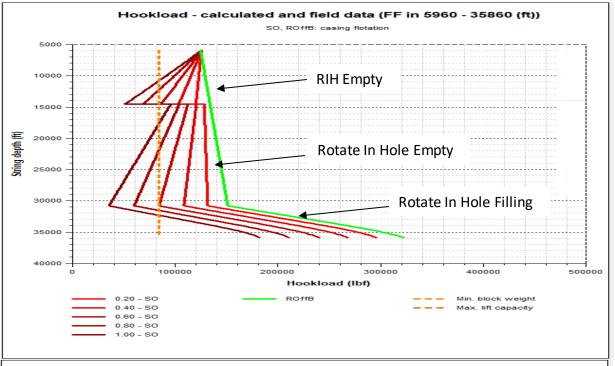


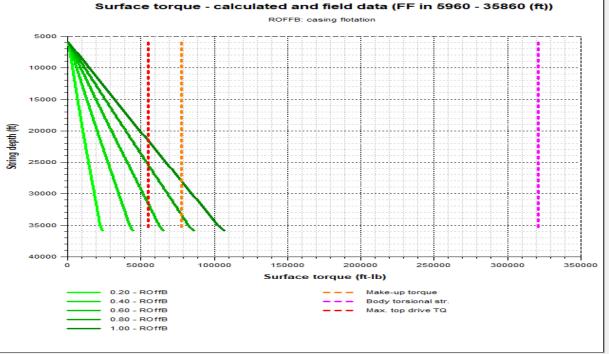
Among other factors, the weight of pipe used will need to be below modeled Collapse Pressure (not simple hydrostatic). This model should take into account:

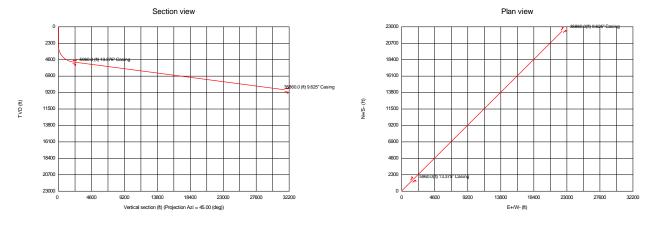
- Running Speed
- RPM

Other Options to MAXIMIZE Reach?

- 1. Tapered Casing (10.75" x 9.625", etc.)
- 2. Heavy Fill-Weight Mud above the Flotation Collar
- 3. Higher RPM/Slower Running Speed will increase available running weight
- 4. Floated Liner?
- 5. Rollers/Non-Rotating T&D Reduction Sleeves?

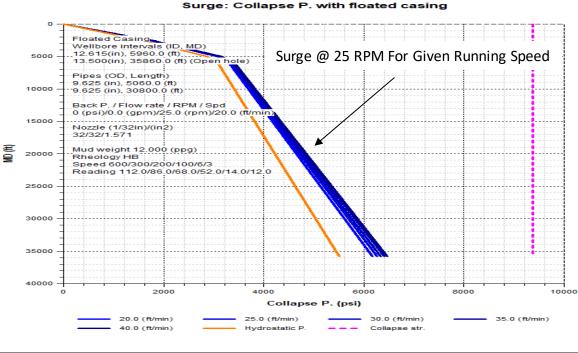


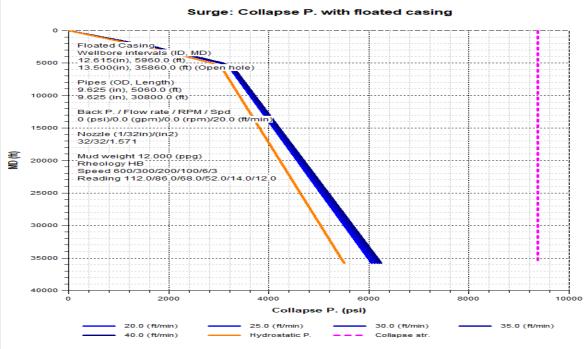




HOW FAR CAN YOU GO?

5960' - 35860' MD / 4932.2' - 8835.0' TVD 82.5° Tangent 3.5:1 Stepout 53.5 ppf Casing / 9390 psi Collapse 12 ppg MW in Pipe 25 RPM Rotary Speed





Surge @ 25 RPM

Surge @ 0 RPM