

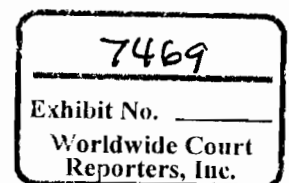
From: Jesse Gagliano
Sent: Thu Jun 11 17:37:38 2009
To: Morel, Brian P; Haffle, Mark E
Subject: Macondo BoD
Importance: Normal
Attachments: MC 252_Macondo BoD_v1_CustomerCopy.pdf

Brian / Mark,

Attached is the Macondo BoD. For the 16" I current have a 13.5 ppg lead and 16.4 ppg tail slurry to trying and get cement lift. It appears even going with the lighter lead we will not get cement lift due to the restriction. Also this BoD does not have a recommendation for 9 7/8" contingency. Once the 9 7/8" plan is finalized I can work something up and get it to you. If you have any questions let me know. Thanks!!

Jesse Gagliano
Halliburton Energy Services
Account Representative - Cementing
Office - 281-366-6106
Cell - 281-635-4798
Fax - 713-583-9700
E-mail - jesse.gagliano@halliburton.com

This e-mail, including any attached files, may contain confidential and privileged information for the sole use of the intended recipient. Any review, use, distribution, or disclosure by others is strictly prohibited. If you are not the intended recipient (or authorized to receive information for the intended recipient), please contact the sender by reply e-mail and delete all copies of this message.





Bp America Prod Co-sorac/gom Ebiz
PO Box 22024
Tulsa, Oklahoma 74121-2024

Macondo Prospect 1

United States of America

Macondo BoD

Prepared for: Mark Hafle

Version: 1

Submitted by:
Jesse Gagliano
Halliburton
10200 Bellaire Blvd
Houston, Texas 77072-5299

HALLIBURTON

***Halliburton appreciates the opportunity to present
this proposal and looks forward to being of service to you.***

Foreword

Enclosed is our recommended procedure for cementing the casing strings in the referenced well. The information in this proposal includes well data, calculations, materials requirements, and cost estimates. This proposal is based on information from our field personnel and previous cementing services in the area.

Halliburton Energy Services recognizes the importance of meeting society's needs for health, safety, and protection of the environment. It is our intention to proactively work with employees, customers, the public, governments, and others to use natural resources in an environmentally sound manner while protecting the health, safety, and environmental processes while supplying high quality products and services to our customers.

We appreciate the opportunity to present this proposal for your consideration and we look forward to being of service to you. Our Services for your well will be coordinated through the Service Center listed below. If you require any additional information or additional designs, please feel free to contact myself or our field representative listed below.

Prepared and Submitted by:

Jesse Gagliano
Technical Advisor

| | |
|----------------------|---------------------------|
| SERVICE CENTER: | Lafayette, La |
| SERVICE COORDINATOR: | Danny Mooney |
| OPER. ENGINEER: | Veronica Rodriquez-Rivera |
| PHONE NUMBER: | 1-800-444-7830 |

Job Information**28" Conductor Casing**

Well Name: Macondo Prospect

Well #: 1

| | |
|----------------|---------------------|
| 36" Drive Pipe | 5081 - 5361 ft (MD) |
| Outer Diameter | 36.000 in |
| Inner Diameter | 33.000 in |
| Linear Weight | 552.69 lbm/ft |

| | |
|----------------|---------------------|
| 28" Casing | 5081 - 6275 ft (MD) |
| Outer Diameter | 28.000 in |
| Inner Diameter | 26.500 in |
| Linear Weight | 218.27 lbm/ft |

| | |
|-------------------|---------------------|
| 32 1/2" Open Hole | 5361 - 6275 ft (MD) |
| Inner Diameter | 32.500 in |
| Job Excess | 200 % |

| | |
|----------------|------------------|
| Landing String | 0 - 5081 ft (MD) |
| Outer Diameter | 6.625 in |
| Inner Diameter | 5.375 in |

| | |
|-----------------|---------------------|
| 28" Innerstring | 5081 - 6125 ft (MD) |
| Outer Diameter | 5.500 in |
| Inner Diameter | 4.778 in |
| Linear Weight | 21.90 lbm/ft |

| | |
|-------------|-----------|
| Water Depth | 4992 feet |
| Air Gap | 89 feet |

| | |
|------------|-----------------|
| Mud Type | Water Based Mud |
| Mud Weight | 12.50 lbm/gal |
| BHST | 65 degF |
| BHCT | 65 degF |

Calculations**28" Conductor Casing**

Spacer:

$$\begin{aligned}\text{Total Spacer} &= 842.19 \text{ ft}^3 \\ &= 150.00 \text{ bbl}\end{aligned}$$

Cement : (694.00 ft fill)

$$\begin{aligned}280.00 \text{ ft} * 1.6635 \text{ ft}^3/\text{ft} * 0 \% &= 465.78 \text{ ft}^3 \\ 414.00 \text{ ft} * 1.4849 \text{ ft}^3/\text{ft} * 200 \% &= 1844.24 \text{ ft}^3 \\ \text{Total Foamed Lead Cement} &= 2310.02 \text{ ft}^3 \\ &= 411.43 \text{ bbl} \\ \text{Sacks of Cement} &= 1772 \text{ sks}\end{aligned}$$

Cement : (450.00 ft fill)

$$\begin{aligned}350.00 \text{ ft} * 1.4849 \text{ ft}^3/\text{ft} * 200 \% &= 1559.14 \text{ ft}^3 \\ 100.00 \text{ ft} * 1.4849 \text{ ft}^3/\text{ft} * 200 \% &= 445.47 \text{ ft}^3 \\ \text{Total Foamed Tail Cement} &= 2004.61 \text{ ft}^3 \\ &= 357.03 \text{ bbl} \\ \text{Sacks of Cement} &= 1554 \text{ sks}\end{aligned}$$

Cement : (50.00 ft fill)

$$\begin{aligned}50.00 \text{ ft} * 1.4849 \text{ ft}^3/\text{ft} * 200 \% &= 222.73 \text{ ft}^3 \\ \text{Tail Cement} &= 222.73 \text{ ft}^3 \\ &= 39.67 \text{ bbl}\end{aligned}$$

Shoe Joint Volume: (100.00 ft fill)

$$\begin{aligned}100.00 \text{ ft} * 3.8302 \text{ ft}^3/\text{ft} &= 383.02 \text{ ft}^3 \\ &= 68.22 \text{ bbl} \\ \text{Tail plus shoe joint} &= 605.75 \text{ ft}^3 \\ &= 107.89 \text{ bbl} \\ \text{Total Tail} &= 569 \text{ sks}\end{aligned}$$

Total Pipe Capacity:

$$\begin{aligned}5081.00 \text{ ft} * 0.1576 \text{ ft}^3/\text{ft} &= 800.63 \text{ ft}^3 \\ 1044.00 \text{ ft} * 0.1245 \text{ ft}^3/\text{ft} &= 129.99 \text{ ft}^3 \\ 150.00 \text{ ft} * 3.8302 \text{ ft}^3/\text{ft} &= 574.53 \text{ ft}^3 \\ &= 268.08 \text{ bbl}\end{aligned}$$

Displacement Volume to Shoe Joint:

$$\begin{aligned}\text{Capacity of Pipe - Shoe Joint} &= 268.08 \text{ bbl} - 68.22 \text{ bbl} \\ &= 199.86 \text{ bbl}\end{aligned}$$

Job Recommendation

28" Conductor Casing

Fluid Instructions

Fluid 1: Water Based Spacer

TUNED SPACER III

1.5 lbm/bbl BLACK DYE

Fluid Density: 13 lbm/gal

Fluid Volume: 150 bbl

Fluid 2: Foamed Lead Cement – Foamed to average density of 13.5 ppg

Standard Cement

0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)

0.07 Gal/sk Zonesealant 2000 (Foamer)

1.88 lbm/sk KCL (Additive Material)

Fluid Weight 16.74 lbm/gal

Slurry Yield: 1.05 ft³/sk

Total Mixing Fluid: 4.19 Gal/sk

Top of Fluid: 5081 ft

Calculated Fill: 694 ft

Volume: 411.43 bbl

Calculated Sacks: 1771.64 sks

Proposed Sacks: 1780 sks

Fluid 3: Foamed Tail Cement – Foamed to average density of 14.5 ppg

Standard Cement

94 lbm/sk Premium Cement (Cement)

0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)

0.07 Gal/sk Zonesealant 2000 (Foamer)

1.88 lbm/sk KCL (Additive Material)

0.26 Gal/sk Calcium Chloride Liquid (Accelerator)

Fluid Weight 16.74 lbm/gal

Slurry Yield: 1.07 ft³/sk

Total Mixing Fluid: 4.28 Gal/sk

Top of Fluid: 5775 ft

Calculated Fill: 450 ft

Volume: 357.03 bbl

Calculated Sacks: 1554.12 sks

Proposed Sacks: 1560 sks

Fluid 4: Tail Cement – Un-foamed

Standard Cement

0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)

0.07 Gal/sk Zonesealant 2000 (Foamer)

0.26 Gal/sk Calcium Chloride Liquid (Accelerator)

1.88 lbm/sk KCL (Additive Material)

Fluid Weight 16.74 lbm/gal

Slurry Yield: 1.07 ft³/sk

Total Mixing Fluid: 4.28 Gal/sk

Top of Fluid: 6225 ft

Calculated Fill: 50 ft

Volume: 107.89 bbl

Calculated Sacks: 568.77 sks

Proposed Sacks: 570 sks

Fluid 5: Mud

Sea Water

Fluid Density: 8.60 lbm/gal

Fluid Volume: 199.86 bbl

Job Procedure

28" Conductor Casing

Detailed Pumping Schedule

| Fluid # | Fluid Type | Fluid Name | Surface Density lbm/gal | Estimated Avg Rate bbl/min | Downhole Volume |
|---------|------------|--------------------|----------------------------|-------------------------------|-----------------|
| 1 | Spacer | TUNED SPACER III | 13.0 | | 150 bbl |
| 2 | Cement | Foamed Lead Cement | 16.7 | | 1780 sks |
| 3 | Cement | Foamed Tail Cement | 16.7 | | 1560 sks |
| 4 | Cement | Un-foamed Tail | 16.7 | | 570 sks |
| 5 | Mud | Sea Water | 8.6 | | 199.86 bbl |

Foam Output Parameter Summary:

| Fluid # | Fluid Name | Unfoamed Liquid Volume | Beginning Density lbm/gal | Ending Density lbm/gal | Beginning Rate scf/bbl | Ending Rate scf/bbl |
|----------------|--------------------|------------------------|------------------------------|---------------------------|---------------------------|------------------------|
| Stage 1 | | | | | | |
| 2 | Foamed Lead Cement | 332.3 bbl | 13.5 | 14.0 | 225.2 | 225.2 |
| 3 | Foamed Tail Cement | 294.8 bbl | 14.0 | 14.3 | 225.2 | 225.2 |

Foam Design Specifications:

Foam Calculation Method: Constant Gas Flow
Backpressure: 2216.85 psig
Bottom Hole Circulating Temp: 65 degF
Mud Outlet Temperature: 60 degF

Calculated Gas = 141225.5 scf
Additional Gas = 50000 scf
Total Gas = 191225.5 scf

Cost Estimate

28" Conductor Casing

SAP Quote # 0

| <u>Mtrl Nbr</u> | <u>Description</u> | <u>Qty</u> | <u>U/M</u> | <u>Unit Price</u> | <u>Net Amt</u> |
|-----------------|--|---------------|------------|-------------------|-------------------|
| 14161 | CMT CONDUCTOR CASING BOM | 1 | JOB | | 0.00 |
| | ***Personnel*** | | | | |
| 130443 | ZONESEAL CERTIFIED SPECIALIST H/DAY/MO TOTAL NUMBER HR/DAY/WEEK/MTH/YEAR/JOB/RUN | 1 96 HR | H | 145.24 | 13,943.04 |
| 576784 | CMT, Offshore Engineer, per hr HOURS | 1 96 | EA | 134.32 | 12,894.72 |
| | ***Equipment*** | | | | |
| 583768 | CMT,Foam Cmt Base Rate(3-day)-SORAC | 1 | EA | 24,295.68 | 24,295.68 |
| 583769 | CMT,Addl Day Foam Cmt Day Rate-SORAC | 1 | DAY | 3,100.45 | 3,100.45 |
| | ***Spacer Material*** | | | | |
| 483826 | TUNED SPACER III | 150 | BBL | 122.28 | 18,342.00 |
| 101673327 | HALLIBURTON INDICATOR BLACK, 25 LB PAIL | 225 | LB | 55.00 | 12,375.00 |
| | ***Cement Material*** | | | | |
| 100003687 | PREMIUM CEMENT | 3910 | SK | 14.71 | 57,516.10 |
| 101002314 | EZ-FLO | 258 | LB | 10.57 | 2,727.06 |
| 101207218 | ZONESEALANT 2000 | 274 | GAL | 77.25 | 21,166.50 |
| 100001585 | KCL POTASSIUM CHLORIDE | 7351 | LB | 0.55 | 4,043.05 |
| 100005054 | CALCIUM CHLORIDE - LIQUID - | 554 | GAL | 8.09 | 4,481.86 |
| | | | | | |
| | Total | USD | | | 174,885.46 |

HALLIBURTON

SAP Quote # 0

| <u>Mtrl Nbr</u> | <u>Description</u> | <u>Qty</u> | <u>U/M</u> | <u>Unit Price</u> | <u>Net Amt</u> |
|-----------------|--|------------|------------|-------------------|------------------|
| 342210 | N2 BOM-Foam Cementing w/o CT | 1 | JOB | | 0.00 |
| 13459 | Nitrogen Charge | 191226 | SCF | 1.35 | 0.00 |
| | ***Personnel*** | | | | |
| 576758 | CMT, Equipment Optr, per hr HOURS | 2 96 | EA | 46.62 | 8,951.04 |
| | ***Services*** | | | | |
| 583772 | CMT,N2 Base Rate(3day)Foam Cmt Job-SORAC | 1 | EA | 31,745.54 | 31,745.54 |
| 583773 | CMT,Addl N2 Day Rate Foam Cmt Job-SORAC | 1 | DAY | 8,056.40 | 8,056.40 |
| 583837 | CMT,Addl 100ft N2 Iron, ZI Foamed-SORAC | 4 | DAY | 300.00 | 1,200.00 |
| | | | | | |
| | Total | USD | | | 49,952.98 |

Job Information**22" Surface Casing**

Well Name: Macondo Prospect

Well #: 1

| | |
|----------------|---------------------|
| 28" Casing | 5081 - 6275 ft (MD) |
| Outer Diameter | 28.000 in |
| Inner Diameter | 26.500 in |
| Linear Weight | 218.27 lbm/ft |

| | |
|----------------|---------------------|
| 22" Casing | 5081 - 8000 ft (MD) |
| Outer Diameter | 22.000 in |
| Inner Diameter | 19.500 in |
| Linear Weight | 277.01 lbm/ft |

| | |
|----------------|---------------------|
| 26" Open Hole | 6275 - 8000 ft (MD) |
| Inner Diameter | 26.000 in |
| Job Excess | 150 % |

| | |
|----------------|------------------|
| Landing String | 0 - 5081 ft (MD) |
| Outer Diameter | 6.625 in |
| Inner Diameter | 5.375 in |

| | |
|-----------------|---------------------|
| 22" Innerstring | 5081 - 7850 ft (MD) |
| Outer Diameter | 5.500 in |
| Inner Diameter | 4.778 in |
| Linear Weight | 21.90 lbm/ft |

| | |
|-------------|-----------|
| Water Depth | 4992 feet |
| Air Gap | 89 feet |

| | |
|------------|-----------------|
| Mud Type | Water Based Mud |
| Mud Weight | 12.50 lbm/gal |
| BHST | 94 degF |
| BHCT | 94 degF |

Calculations**22" Surface Casing**

Spacer:

HALLIBURTON

| | |
|---|---|
| Total Spacer | = 1122.92 ft ³ = 200.00 bbl |
| Cement : (1419.00 ft fill) | |
| 1194.00 ft * 1.1904 ft ³ /ft * 0 % | = 1421.30 ft ³ |
| 225.00 ft * 1.0472 ft ³ /ft * 150 % | = 589.05 ft ³ |
| Total Foamed Lead Cement | = 2010.35 ft ³ = 358.06 bbl |
| Sacks of Cement | = 1461 sks |
| Cement : (1000.00 ft fill) | |
| 1000.00 ft * 1.0472 ft ³ /ft * 150 % | = 2617.99 ft ³ |
| Total Foamed Lead Cement | = 2617.99 ft ³ = 466.28 bbl |
| Sacks of Cement | = 1991 sks |
| Cement : (450.00 ft fill) | |
| 350.00 ft * 1.0472 ft ³ /ft * 150 % | = 916.30 ft ³ |
| 100.00 ft * 1.0472 ft ³ /ft * 150 % | = 261.80 ft ³ |
| Total Foamed Tail Cement | = 1178.10 ft ³ = 209.83 bbl |
| Sacks of Cement | = 904 sks |
| Cement : (50.00 ft fill) | |
| 50.00 ft * 1.0472 ft ³ /ft * 150 % | = 130.90 ft ³ |
| Tail Cement | = 130.90 ft ³ = 23.31 bbl |
| Shoe Joint Volume: (100.00 ft fill) | |
| 100.00 ft * 2.0739 ft ³ /ft | = 207.39 ft ³ = 36.94 bbl |
| Tail plus shoe joint | = 338.29 ft ³ = 60.25 bbl |
| Total Tail | = 319 sks |
| Total Pipe Capacity: | |
| 5081.00 ft * 0.1576 ft ³ /ft | = 800.63 ft ³ |
| 2769.00 ft * 0.1245 ft ³ /ft | = 344.78 ft ³ |
| 150.00 ft * 2.0739 ft ³ /ft | = 311.09 ft ³ = 259.41 bbl |
| Displacement Volume to Shoe Joint: | |
| Capacity of Pipe - Shoe Joint | = 259.41 bbl - 36.94 bbl = 222.48 bbl |

Job Recommendation**22" Surface Casing**

Fluid Instructions

Fluid 1: Water Based Spacer

TUNED SPACER III

1.5 lbm/bbl BLACK DYE

Fluid Density: 13 lbm/gal

Fluid Volume: 200 bbl

Fluid 2: Foamed Lead Cement– **Foamed to average density of 13.5 ppg**

Standard Cement

94 lbm/sk Premium Cement (Cement)

0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)

0.07 Gal/sk Zonesealant 2000 (Foamer)

0.01 Gal/sk Micro Matrix Retarder (Retarder)

1.88 lbm/sk KCL (Additive Material)

Fluid Weight 16.74 lbm/gal

Slurry Yield: 1.05 ft³/sk

Total Mixing Fluid: 4.20 Gal/sk

Top of Fluid: 5081 ft

Calculated Fill: 1419 ft

Volume: 358.06 bbl

Calculated Sacks: 1460.52 sks

Proposed Sacks: 1470 sks

Fluid 3: Foamed Lead Cement– **Foamed to average density of 13.5 ppg**

Standard Cement

0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)

0.07 Gal/sk Zonesealant 2000 (Foamer)

1.88 lbm/sk KCL (Additive Material)

Fluid Weight 16.74 lbm/gal

Slurry Yield: 1.05 ft³/sk

Total Mixing Fluid: 4.19 Gal/sk

Top of Fluid: 6500 ft

Calculated Fill: 1000 ft

Volume: 466.28 bbl

Calculated Sacks: 1990.81 sks

Proposed Sacks: 2000 sks

Fluid 4: Foamed Tail Cement– **Foamed to average density of 14.5 ppg**

Standard Cement

0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)

0.07 Gal/sk Zonesealant 2000 (Foamer)

0.26 Gal/sk Calcium Chloride Liquid (Accelerator)

1.88 lbm/sk KCL (Additive Material)

Fluid Weight 16.74 lbm/gal

Slurry Yield: 1.07 ft³/sk

Total Mixing Fluid: 4.28 Gal/sk

Top of Fluid: 7500 ft

Calculated Fill: 450 ft

Volume: 209.83 bbl

Calculated Sacks: 904.16 sks

Proposed Sacks: 910 sks

Fluid 5: Tail Cement – **Un-foamed**

Standard Cement

0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)

0.07 Gal/sk Zonesealant 2000 (Foamer)

0.26 Gal/sk Calcium Chloride Liquid (Accelerator)

1.88 lbm/sk Potassium Chloride (Additive Material)

Fluid Weight 16.74 lbm/gal

Slurry Yield: 1.06 ft³/sk

Total Mixing Fluid: 4.23 Gal/sk

Top of Fluid: 7950 ft

Calculated Fill: 50 ft

Volume: 60.25 bbl

Calculated Sacks: 318.84 sks

Proposed Sacks: 320 sks

Fluid 6: Mud

Sea Water

Fluid Density: 8.60 lbm/gal

Fluid Volume 222.48 bbl

Job Procedure

22" Surface Casing

Detailed Pumping Schedule

| Fluid # | Fluid Type | Fluid Name | Surface Density lbm/gal | Estimated Avg Rate bbl/min | Downhole Volume |
|---------|------------|----------------------|----------------------------|-------------------------------|-----------------|
| 1 | Spacer | TUNED SPACER III | 13.0 | 7.0 | 200 bbl |
| 2 | Cement | Foamed Lead Cement 1 | 16.7 | | 1470 sks |
| 3 | Cement | Foamed Lead Cement 2 | 16.7 | | 2000 sks |
| 4 | Cement | Foamed Tail Cement | 16.7 | | 910 sks |
| 5 | Cement | Unfoamed Tail | 16.7 | | 320 sks |
| 6 | Mud | Sea Water | 8.6 | | 222.48 bbl |

Foam Output Parameter Summary:

| Fluid # | Fluid Name | Unfoamed Liquid Volume | Beginning Density lbm/gal | Ending Density lbm/gal | Beginning Rate scf/bbl | Ending Rate scf/bbl |
|----------------|----------------------|------------------------|------------------------------|---------------------------|---------------------------|------------------------|
| Stage 1 | | | | | | |
| 2 | Foamed Lead Cement 1 | 273.9 bbl | 12.6 | 13.6 | 299.6 | 299.6 |
| 3 | Foamed Lead Cement 2 | 373.4 bbl | 13.6 | 14.0 | 299.6 | 299.6 |
| 4 | Foamed Tail Cement | 171.5 bbl | 14.0 | 14.2 | 299.6 | 299.6 |

Foam Design Specifications:

Foam Calculation Method: Constant Gas Flow
 Backpressure: 2216.85 psig
 Bottom Hole Circulating Temp: 94 degF
 Mud Outlet Temperature: 60 degF

Calculated Gas = 245319.7 scf
 Additional Gas = 50000 scf
 Total Gas = 295319.7 scf

Cost Estimate

22" Surface Casing

SAP Quote # 0

| <u>Mtrl Nbr</u> | <u>Description</u> | <u>Qty</u> | <u>U/M</u> | <u>Unit Price</u> | <u>Net Amt</u> |
|-----------------|--|---------------|------------|-------------------|-------------------|
| 14161 | CMT CONDUCTOR CASING BOM | 1 | JOB | | 0.00 |
| | ***Personnel*** | | | | |
| 130443 | ZONESEAL CERTIFIED SPECIALIST H/DAY/MO TOTAL NUMBER HR/DAY/WEEK/MTH/YEAR/JOB/RUN | 1 96 HR | H | 145.24 | 13,943.04 |
| 576784 | CMT, Offshore Engineer, per hr HOURS | 1 96 | EA | 134.32 | 12,894.72 |
| | ***Equipment*** | | | | |
| 583769 | CMT, Addl Day Foam Cmt Day Rate-SORAC | 4 | DAY | 3,100.45 | 12,401.80 |
| | ***Spacer Material*** | | | | |
| 483826 | TUNED SPACER III | 200 | BBL | 122.28 | 24,456.00 |
| 101673327 | HALLIBURTON INDICATOR BLACK, 25 LB PAIL | 300 | LB | 55.00 | 16,500.00 |
| | ***Cement Material*** | | | | |
| 100003687 | PREMIUM CEMENT | 4700 | SK | 14.71 | 69,137.00 |
| 101002314 | EZ-FLO | 310 | LB | 10.57 | 3,276.70 |
| 101207218 | ZONESEALANT 2000 | 329 | GAL | 77.25 | 25,415.25 |
| 100003780 | MICRO MATRIX RETARDER | 15 | GAL | 43.70 | 655.50 |
| 100001585 | KCL POTASSIUM CHLORIDE | 8235 | LB | 0.55 | 4,529.25 |
| 100005054 | CALCIUM CHLORIDE - LIQUID - | 320 | GAL | 8.09 | 2,588.80 |
| 101163786 | KCL-POTASSIUM CHLORIDE | 602 | LB | 0.70 | 421.40 |
| | | | | | |
| | Total | USD | | | 186,219.46 |

SAP Quote # 0

| <u>Mtrl Nbr</u> | <u>Description</u> | <u>Qty</u> | <u>U/M</u> | <u>Unit Price</u> | <u>Net Amt</u> |
|-----------------|---|------------|------------|-------------------|------------------|
| 342210 | N2 BOM-Foam Cementing w/o CT | 1 | JOB | | 0.00 |
| 13459 | Nitrogen Charge | 295320 | SCF | 1.35 | 0.00 |
| | ***Personnel*** | | | | |
| 576758 | CMT, Equipment Optr, per hr HOURS | 2 96 | EA | 46.62 | 8,951.04 |
| | ***Services*** | | | | |
| 583773 | CMT,Addl N2 Day Rate Foam Cmt Job-SORAC | 4 | DAY | 8,056.40 | 32,225.60 |
| 583837 | CMT,Addl 100ft N2 Iron, ZI Foamed-SORAC | 4 | DAY | 300.00 | 1,200.00 |
| | | | | | |
| | Total | USD | | | 42,376.64 |

Job Information**18" Liner**

Well Name: Macondo Prospect

Well #: 1

| | |
|--------------------|---------------------|
| Riser | 0 - 5081 ft (MD) |
| Outer Diameter | 24.000 in |
| Inner Diameter | 19.500 in |
| 22" Casing | 5081 - 8000 ft (MD) |
| Outer Diameter | 22.000 in |
| Inner Diameter | 19.500 in |
| Linear Weight | 277.01 lbm/ft |
| 22" Open Hole | 8000 - 9900 ft (MD) |
| Inner Diameter | 22.000 in |
| Job Excess | 15 % |
| Landing String | 0 - 5081 ft (MD) |
| Outer Diameter | 6.625 in |
| Inner Diameter | 5.375 in |
| 18" Innerstring | 7600 - 9750 ft (MD) |
| Outer Diameter | 5.500 in |
| Inner Diameter | 4.778 in |
| Linear Weight | 21.90 lbm/ft |
| 18" Liner | 7600 - 9900 ft (MD) |
| Outer Diameter | 18.000 in |
| Inner Diameter | 16.750 in |
| Linear Weight | 117 lbm/ft |
| 18" Landing String | 5081 - 7600 ft (MD) |
| Outer Diameter | 5.500 in |
| Inner Diameter | 4.778 in |
| Linear Weight | 24.37 lbm/ft |
| Mud Type | Synthetic |
| Mud Weight | 10.60 lbm/gal |
| BHST | 122 degF |

Spacer:

$$\begin{aligned} 839.00 \text{ ft} * 0.8727 \text{ ft}^3/\text{ft} * 15 \% &= 841.99 \text{ ft}^3 \\ \text{Total Spacer} &= 842.19 \text{ ft}^3 \\ &= 150.00 \text{ bbl} \end{aligned}$$

Cement : (928.00 ft fill)

$$\begin{aligned} 778.00 \text{ ft} * 0.8727 \text{ ft}^3/\text{ft} * 15 \% &= 780.77 \text{ ft}^3 \\ 150.00 \text{ ft} * 0.8727 \text{ ft}^3/\text{ft} * 15 \% &= 150.53 \text{ ft}^3 \\ \text{Lead Cement} &= 931.31 \text{ ft}^3 \\ &= 165.87 \text{ bbl} \end{aligned}$$

Shoe Joint Volume: (100.00 ft fill)

$$\begin{aligned} 100.00 \text{ ft} * 1.5302 \text{ ft}^3/\text{ft} &= 153.02 \text{ ft}^3 \\ &= 27.25 \text{ bbl} \\ \text{Tail plus shoe joint} &= 1084.33 \text{ ft}^3 \\ &= 193.13 \text{ bbl} \\ \text{Total Tail} &= 1000 \text{ sks} \end{aligned}$$

Total Pipe Capacity:

$$\begin{aligned} 5081.00 \text{ ft} * 0.1576 \text{ ft}^3/\text{ft} &= 800.63 \text{ ft}^3 \\ 2519.00 \text{ ft} * 0.1245 \text{ ft}^3/\text{ft} &= 313.65 \text{ ft}^3 \\ 2150.00 \text{ ft} * 0.1245 \text{ ft}^3/\text{ft} &= 267.71 \text{ ft}^3 \\ 150.00 \text{ ft} * 1.5302 \text{ ft}^3/\text{ft} &= 229.53 \text{ ft}^3 \\ &= 287.02 \text{ bbl} \end{aligned}$$

Displacement Volume to Shoe Joint:

$$\begin{aligned} \text{Capacity of Pipe - Shoe Joint} &= 287.02 \text{ bbl} - 27.25 \text{ bbl} \\ &= 259.77 \text{ bbl} \end{aligned}$$

Job Recommendation**18" Liner**

Fluid Instructions

Fluid 1: Water Based Spacer

TUNED SPACER III

1.3 gal/bbl SEM-8 (Additive Material)

Fluid Density: 11.10 lbm/gal

Fluid Volume: 150 bbl

Fluid 2: Lead Cement

Premium Cement

94 lbm/sk Premium Cement (Cement)

0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)

0.25 % D-AIR 3000 (Defoamer)

1.88 lbm/sk KCL (Clay Control)

0.08 Gal/sk Halad(R)-344 EXP (Low Fluid Loss Control)

0.02 Gal/sk HR-6L (Retarder)

Fluid Weight 16.40 lbm/gal

Slurry Yield: 1.08 ft³/sk

Total Mixing Fluid: 4.41 Gal/sk

Top of Fluid: 8972 ft

Calculated Fill: 928 ft

Volume: 193.07 bbl

Calculated Sacks: 1000 sks

Proposed Sacks: 1000 sks

Fluid 3: Rheologically Enhanced Spacer

TUNED SPACER III

1.3 gal/bbl SEM-8 (Additive Material)

Fluid Density: 11.10 lbm/gal

Fluid Volume: 10 bbl

Fluid 4: Mud

SBM

Fluid Density: 10.60 lbm/gal

Fluid Volume: 249.77 bbl

Detailed Pumping Schedule

| Fluid # | Fluid Type | Fluid Name | Surface Density lbm/gal | Estimated Avg Rate bbl/min | Downhole Volume |
|---------|------------|------------------|----------------------------|-------------------------------|-----------------|
| 1 | Spacer | TUNED SPACER III | 11.1 | | 150 bbl |
| 2 | Cement | Lead Cement | 16.4 | | 1000 sks |
| 3 | Spacer | TUNED SPACER III | 11.1 | | 10 bbl |
| 4 | Mud | SBM | 10.6 | | 249.77 bbl |

SAP Quote # 0

| <u>Mtrl Nbr</u> | <u>Description</u> | <u>Qty</u> | <u>U/M</u> | <u>Unit Price</u> | <u>Net Amt</u> |
|-----------------|------------------------|------------|------------|-------------------|----------------|
| 7524 | CMT DRILLING LINER BOM | 1 | JOB | | 0.00 |
| 483826 | TUNED SPACER III | 160 | BBL | 122.28 | 19,564.80 |
| 100003687 | PREMIUM CEMENT | 1000 | SK | 14.71 | 14,710.00 |
| 101002314 | EZ-FLO | 66 | LB | 10.57 | 697.62 |
| 101249405 | HALAD-344 EXP | 80 | GAL | 125.71 | 10,056.80 |
| 100001585 | KCL POTASSIUM CHLORIDE | 1880 | LB | 0.55 | 1,034.00 |
| 101235089 | SEM-8 | 208 | GAL | 47.45 | 9,869.60 |
| 101007446 | D-AIR 3000 | 235 | LB | 4.31 | 1,012.85 |
| 100005058 | HR-6L RETARDER | 20 | GAL | 22.89 | 457.80 |
| | | | | | |
| | Total | USD | | | 57,403.47 |

Job Information**16" Liner**

Well Name: Macondo Prospect

Well #: 1

| | |
|-----------------|----------------------|
| Riser | 0 - 5081 ft (MD) |
| Outer Diameter | 24.000 in |
| Inner Diameter | 19.500 in |
| 22" Casing | 5081 - 8000 ft (MD) |
| Outer Diameter | 22.000 in |
| Inner Diameter | 19.500 in |
| Linear Weight | 277.01 lbm/ft |
| 18" Liner | 7600 - 9900 ft (MD) |
| Outer Diameter | 18.000 in |
| Inner Diameter | 16.750 in |
| Linear Weight | 117 lbm/ft |
| 16" Casing | 5081 - 12500 ft (MD) |
| Outer Diameter | 16.000 in |
| Inner Diameter | 14.850 in |
| Landing String | 0 - 5081 ft (MD) |
| Outer Diameter | 6.625 in |
| Inner Diameter | 5.375 in |
| 16" Innerstring | 5081 - 12350 ft (MD) |
| Outer Diameter | 5.500 in |
| Inner Diameter | 4.778 in |
| Linear Weight | 21.90 lbm/ft |
| 20" Open Hole | 9900 - 12500 ft (MD) |
| Inner Diameter | 20.000 in |
| Job Excess | 15 % |
| Mud Type | Synthetic |
| Mud Weight | 11.80 lbm/gal |
| BHST | 162 degF |

Calculations

16" Liner

Spacer:

| | |
|---|--------------------------|
| 322.00 ft * 0.6777 ft ³ /ft * 0 % | = 218.21 ft ³ |
| 400.00 ft * 0.134 ft ³ /ft * 0 % | = 53.59 ft ³ |
| 1900.00 ft * 0.134 ft ³ /ft * 0 % | = 254.54 ft ³ |
| 350.00 ft * 0.7854 ft ³ /ft * 15 % | = 316.12 ft ³ |
| Total Spacer | = 842.19 ft ³ |
| | = 150.00 bbl |

Cement : (1750.00 ft fill)

| | |
|--|---------------------------|
| 1750.00 ft * 0.7854 ft ³ /ft * 15 % | = 1580.61 ft ³ |
| Total Lead Cement | = 1580.61 ft ³ |
| | = 281.52 bbl |
| Sacks of Cement | = 935 sks |

Cement : (500.00 ft fill)

| | |
|---|--------------------------|
| 350.00 ft * 0.7854 ft ³ /ft * 15 % | = 316.12 ft ³ |
| 150.00 ft * 0.7854 ft ³ /ft * 15 % | = 135.48 ft ³ |
| Tail Cement | = 451.60 ft ³ |
| | = 80.43 bbl |

Shoe Joint Volume: (100.00 ft fill)

| | |
|--|--------------------------|
| 100.00 ft * 1.2028 ft ³ /ft | = 120.28 ft ³ |
| | = 21.42 bbl |
| Tail plus shoe joint | = 571.88 ft ³ |
| | = 101.86 bbl |
| Total Tail | = 528 sks |

Total Pipe Capacity:

| | |
|---|--------------------------|
| 5081.00 ft * 0.1576 ft ³ /ft | = 800.63 ft ³ |
| 7269.00 ft * 0.1245 ft ³ /ft | = 905.10 ft ³ |
| 150.00 ft * 1.2028 ft ³ /ft | = 180.41 ft ³ |
| | = 335.94 bbl |

Displacement Volume to Shoe Joint:

| | |
|-------------------------------|--------------------------|
| Capacity of Pipe - Shoe Joint | = 335.94 bbl - 21.42 bbl |
| | = 314.51 bbl |

Job Recommendation**16" Liner**

Fluid Instructions

Fluid 1: Water Based Spacer

TUNED SPACER III

1.3 gal/bbl SEM-8 (Additive Material)

Fluid Density: 12.30 lbm/gal

Fluid Volume: 150 bbl

Fluid 2: Lead Cement

Premium Cement

94 lbm/sk Premium Cement (Cement)

0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)

0.25 % D-AIR 3000 (Defoamer)

1.88 lbm/sk KCL (Clay Control)

0.08 Gal/sk WG-17EXP (Fluid Loss Control)

8.874 Gal/sk Fresh Water (Mixing Fluid)

Fluid Weight 13.50 lbm/gal

Slurry Yield: 1.69 ft³/sk

Total Mixing Fluid: 8.95 Gal/sk

Top of Fluid: 10250 ft

Calculated Fill: 1750 ft

Volume: 281.52 bbl

Calculated Sacks: 934.72 sks

Proposed Sacks: 940 sks

Fluid 3: Tail Cement

Premium Cement

94 lbm/sk Premium Cement (Cement)

0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)

0.25 % D-AIR 3000 (Defoamer)

1.88 lbm/sk KCL (Clay Control)

0.08 Gal/sk Halad(R)-344 EXP (Low Fluid Loss Control)

0.02 Gal/sk HR-6L (Retarder)

Fluid Weight 16.40 lbm/gal

Slurry Yield: 1.08 ft³/sk

Total Mixing Fluid: 4.41 Gal/sk

Top of Fluid: 12000 ft

Calculated Fill: 500 ft

Volume: 101.86 bbl

Calculated Sacks: 527.56 sks

Proposed Sacks: 530 sks

Fluid 4: Rheologically Enhanced Spacer

TUNED SPACER III

1.3 gal/bbl SEM-8 (Additive Material)

Fluid Density: 12.30 lbm/gal

Fluid Volume: 10 bbl

Fluid 5: Mud

SBM

Fluid Density: 11.80 lbm/gal

Fluid Volume: 304.51 bbl

Detailed Pumping Schedule

| Fluid # | Fluid Type | Fluid Name | Surface Density lbm/gal | Estimated Avg Rate bbl/min | Downhole Volume |
|---------|------------|------------------|----------------------------|-------------------------------|-----------------|
| 1 | Spacer | TUNED SPACER III | 12.3 | | 150 bbl |
| 2 | Cement | Lead Cement | 13.5 | | 940 sks |
| 3 | Cement | Tail Cement | 16.4 | | 530 sks |
| 4 | Spacer | TUNED SPACER III | 12.3 | | 10 bbl |
| 5 | Mud | SBM | 11.8 | | 304.51 bbl |

SAP Quote # 0

| <u>Mtrl Nbr</u> | <u>Description</u> | <u>Qty</u> | <u>U/M</u> | <u>Unit Price</u> | <u>Net Amt</u> |
|-----------------|------------------------|------------|------------|-------------------|------------------|
| 7524 | CMT DRILLING LINER BOM | 1 | JOB | | 0.00 |
| 483826 | TUNED SPACER III | 160 | BBL | 122.28 | 19,564.80 |
| 101235089 | SEM-8 | 208 | GAL | 47.45 | 9,869.60 |
| 100003687 | PREMIUM CEMENT | 1470 | SK | 14.71 | 21,623.70 |
| 101283806 | WG-17EXP | 76 | GAL | 75.21 | 5,715.96 |
| 101002314 | EZ-FLO | 97 | LB | 10.57 | 1,025.29 |
| 100001585 | KCL POTASSIUM CHLORIDE | 2764 | LB | 0.55 | 1,520.20 |
| 101249405 | HALAD-344 EXP | 43 | GAL | 125.71 | 5,405.53 |
| 101007446 | D-AIR 3000 | 346 | LB | 4.31 | 1,491.26 |
| 100005058 | HR-6L RETARDER | 11 | GAL | 22.89 | 251.79 |
| | | | | | |
| | Total | USD | | | 66,468.13 |

Job Information**13-3/8" Liner**

Well Name: Macondo Prospect

Well #: 1

| | |
|--------------------------|-----------------------|
| Riser | 0 - 5081 ft (MD) |
| Outer Diameter | 24.000 in |
| Inner Diameter | 19.500 in |
| 16" Casing | 5081 - 12500 ft (MD) |
| Outer Diameter | 16.000 in |
| Inner Diameter | 14.850 in |
| 16" Open Hole | 12500 - 15300 ft (MD) |
| Inner Diameter | 16.000 in |
| Job Excess | 15 % |
| Landing String | 0 - 5081 ft (MD) |
| Outer Diameter | 6.625 in |
| Inner Diameter | 5.375 in |
| 13-5/8" Landing String 2 | 5081 - 12200 ft (MD) |
| Outer Diameter | 5.500 in |
| Inner Diameter | 4.778 in |
| Linear Weight | 21.90 lbm/ft |
| 13-5/8" Liner | 12200 - 15300 ft (MD) |
| Outer Diameter | 13.625 in |
| Inner Diameter | 12.375 in |
| Linear Weight | 88.20 lbm/ft |
| Mud Type | Synthetic |
| Mud Weight | 13.10 lbm/gal |
| BHST | 199 degF |

Calculations

13-3/8" Liner

Spacer:

| | |
|--|--------------------------|
| 251.00 ft * 0.1903 ft ³ /ft * 0 % | = 47.75 ft ³ |
| 1800.00 ft * 0.3838 ft ³ /ft * 15 % | = 794.36 ft ³ |
| Total Spacer | = 842.19 ft ³ |
| | = 150.00 bbl |

Cement : (1000.00 ft fill)

| | |
|--|--------------------------|
| 1000.00 ft * 0.3838 ft ³ /ft * 15 % | = 441.31 ft ³ |
| Tail Cement | = 441.31 ft ³ |
| | = 78.60 bbl |

Shoe Joint Volume: (180.00 ft fill)

| | |
|--|--------------------------|
| 180.00 ft * 0.8353 ft ³ /ft | = 150.35 ft ³ |
| | = 26.78 bbl |
| Tail plus shoe joint | = 591.66 ft ³ |
| | = 105.38 bbl |
| Total Tail | = 546 sks |

Total Pipe Capacity:

| | |
|---|---------------------------|
| 5081.00 ft * 0.1576 ft ³ /ft | = 800.63 ft ³ |
| 7119.00 ft * 0.1245 ft ³ /ft | = 886.42 ft ³ |
| 3100.00 ft * 0.8353 ft ³ /ft | = 2589.28 ft ³ |
| | = 761.65 bbl |

Displacement Volume to Shoe Joint:

| | |
|-------------------------------|--------------------------|
| Capacity of Pipe - Shoe Joint | = 761.65 bbl - 26.78 bbl |
| | = 734.87 bbl |

Job Recommendation**13-3/8" Liner**

Fluid Instructions

Fluid 1: Water Based Spacer

TUNED SPACER III

1.3 gal/bbl SEM-8 (Additive Material)

Fluid Density: 14 lbm/gal

Fluid Volume: 150 bbl

Fluid 2: Tail Cement

Premium Cement

94 lbm/sk Premium Cement (Cement)

0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)

0.25 % D-AIR 3000 (Defoamer)

1.88 lbm/sk KCL (Clay Control)

0.1 Gal/sk Halad(R)-344 EXP (Low Fluid Loss Control)

0.02 Gal/sk HR-6L (Retarder)

4.294 Gal/sk Fresh Water (Mixing Fluid)

Fluid Weight 16.40 lbm/gal

Slurry Yield: 1.08 ft³/sk

Total Mixing Fluid: 4.41 Gal/sk

Top of Fluid: 14300 ft

Calculated Fill: 1000 ft

Volume: 105.38 bbl

Calculated Sacks: 545.81 sks

Proposed Sacks: 550 sks

Fluid 3: Rheologically Enhanced Spacer

TUNED SPACER III

1.3 gal/bbl SEM-8 (Additive Material)

Fluid Density: 14 lbm/gal

Fluid Volume: 10 bbl

Fluid 4: Mud

SBM

Fluid Density: 13.10 lbm/gal

Fluid Volume: 724.87 bbl

Detailed Pumping Schedule

| Fluid # | Fluid Type | Fluid Name | Surface Density lbm/gal | Estimated Avg Rate bbl/min | Downhole Volume |
|---------|------------|------------------|----------------------------|-------------------------------|-----------------|
| 1 | Spacer | TUNED SPACER III | 14.0 | | 150 bbl |
| 2 | Cement | Tail Cement | 16.4 | | 550 sks |
| 3 | Spacer | TUNED SPACER III | 14.0 | | 10 bbl |
| 4 | Mud | SBM | 13.1 | | 724.87 bbl |

Cost Estimate

13-3/8" Liner

SAP Quote # 0

| <u>Mtrl Nbr</u> | <u>Description</u> | <u>Qty</u> | <u>U/M</u> | <u>Unit Price</u> | <u>Net Amt</u> |
|-----------------|------------------------|------------|------------|-------------------|----------------|
| 7524 | CMT DRILLING LINER BOM | 1 | JOB | | 0.00 |
| 483826 | TUNED SPACER III | 160 | BBL | 122.28 | 19,564.80 |
| 101235089 | SEM-8 | 208 | GAL | 47.45 | 9,869.60 |
| 100003687 | PREMIUM CEMENT | 550 | SK | 14.71 | 8,090.50 |
| 101002314 | EZ-FLO | 37 | LB | 10.57 | 391.09 |
| 100001585 | KCL POTASSIUM CHLORIDE | 1034 | LB | 0.55 | 568.70 |
| 101249405 | HALAD-344 EXP | 55 | GAL | 125.71 | 6,914.05 |
| 100005058 | HR-6L RETARDER | 11 | GAL | 22.89 | 251.79 |
| 101007446 | D-AIR 3000 | 130 | LB | 4.31 | 560.30 |
| | | | | | |
| | Total | USD | | | 46,210.83 |

Job Information**11-3/4 x 13-5/8" Liner (CONTINGENCY)**

Well Name: Macondo Prospect

Well #: 1

| | |
|--|-----------------------|
| Riser | 0 - 5081 ft (MD) |
| Outer Diameter | 24.000 in |
| Inner Diameter | 19.500 in |
| 16" Casing | 5081 - 12500 ft (MD) |
| Outer Diameter | 16.000 in |
| Inner Diameter | 14.850 in |
| Landing String | 0 - 5081 ft (MD) |
| Outer Diameter | 6.625 in |
| Inner Diameter | 5.375 in |
| 13-5/8" Liner | 12200 - 15300 ft (MD) |
| Outer Diameter | 13.625 in |
| Inner Diameter | 12.375 in |
| Linear Weight | 88.20 lbm/ft |
| 11-3/4" Expandable Liner Pre Expansion | 13700 - 17000 ft (MD) |
| Outer Diameter | 11.750 in |
| Inner Diameter | 11.000 in |
| Linear Weight | 47 lbm/ft |
| 14" Open Hole | 15300 - 17000 ft (MD) |
| Inner Diameter | 14.000 in |
| Job Excess | 15 % |
| 11-3/4" Landing String | 5081 - 13700 ft (MD) |
| Outer Diameter | 5.500 in |
| Inner Diameter | 4.778 in |
| Linear Weight | 21.90 lbm/ft |
| Mud Type | Synthetic |
| Mud Weight | 13.50 lbm/gal |
| BHST | 222 degF |

Calculations**11-3/4 x 13-5/8" Liner (CONTINGENCY)**

Spacer:

$$\begin{aligned} 1168.00 \text{ ft} * 0.6703 \text{ ft}^3/\text{ft} * 0 \% &= 782.87 \text{ ft}^3 \\ 725.00 \text{ ft} * 0.0822 \text{ ft}^3/\text{ft} * 0 \% &= 59.62 \text{ ft}^3 \\ \text{Total Spacer} &= 842.19 \text{ ft}^3 \\ &= 150.00 \text{ bbl} \end{aligned}$$

Cement : (2275.00 ft fill)

$$\begin{aligned} 875.00 \text{ ft} * 0.0822 \text{ ft}^3/\text{ft} * 0 \% &= 71.96 \text{ ft}^3 \\ 1400.00 \text{ ft} * 0.316 \text{ ft}^3/\text{ft} * 15 \% &= 508.76 \text{ ft}^3 \\ \text{Total Primary Cement} &= 580.72 \text{ ft}^3 \\ &= 103.43 \text{ bbl} \\ \text{Sacks of Cement} &= 352 \text{ sks} \end{aligned}$$

Cement : (300.00 ft fill)

$$\begin{aligned} 300.00 \text{ ft} * 0.316 \text{ ft}^3/\text{ft} * 15 \% &= 109.02 \text{ ft}^3 \\ \text{Tail Cement} &= 109.02 \text{ ft}^3 \\ &= 19.42 \text{ bbl} \end{aligned}$$

Shoe Joint Volume: (180.00 ft fill)

$$\begin{aligned} 180.00 \text{ ft} * 0.66 \text{ ft}^3/\text{ft} &= 118.79 \text{ ft}^3 \\ &= 21.16 \text{ bbl} \\ \text{Tail plus shoe joint} &= 227.81 \text{ ft}^3 \\ &= 40.57 \text{ bbl} \\ \text{Total Tail} &= 138 \text{ sks} \end{aligned}$$

Total Pipe Capacity:

$$\begin{aligned} 5081.00 \text{ ft} * 0.1576 \text{ ft}^3/\text{ft} &= 800.63 \text{ ft}^3 \\ 8619.00 \text{ ft} * 0.1245 \text{ ft}^3/\text{ft} &= 1073.19 \text{ ft}^3 \\ 3300.00 \text{ ft} * 0.66 \text{ ft}^3/\text{ft} &= 2177.84 \text{ ft}^3 \\ &= 721.63 \text{ bbl} \end{aligned}$$

Displacement Volume to Shoe Joint:

$$\begin{aligned} \text{Capacity of Pipe - Shoe Joint} &= 721.63 \text{ bbl} - 21.16 \text{ bbl} \\ &= 700.47 \text{ bbl} \end{aligned}$$

Job Recommendation 11-3/4 x 13-5/8" Liner (CONTINGENCY)

Fluid Instructions

Fluid 1: Water Based Spacer

TUNED SPACER III

1.3 gal/bbl SEM-8 (Additive Material)

Fluid Density: 14 lbm/gal

Fluid Volume: 150 bbl

Fluid 2: Primary Cement

Premium Cement

50 kg/sk Premium Cement (Cement)
0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)
0.25 % D-AIR 3000 (Defoamer)
1.88 lbm/sk KCL (Additive Material)
20 % SSA-1 (Additive Material)
15 % Common White-100 Mesh, SSA-2
0.18 Gal/sk Gasstop EXP (Additive Material)
0.18 Gal/sk SCR-100L (Retarder)

Fluid Weight 16.50 lbm/gal
Slurry Yield: 1.65 ft³/sk
Total Mixing Fluid: 6.27 Gal/sk
Top of Fluid: 14425 ft
Calculated Fill: 2275 ft
Volume: 103.43 bbl
Calculated Sacks: 351.95 sks
Proposed Sacks: 360 sks

Fluid 3: Tail Cement

Premium Cement

50 kg/sk Premium Cement (Cement)
0.07 % Halliburton EZ-FLO (Bulk Flow Enhancer)
0.25 % D-AIR 3000 (Defoamer)
1.88 lbm/sk KCL (Additive Material)
20 % SSA-1 (Additive Material)
15 % Common White-100 Mesh, SSA-2
0.18 Gal/sk Gasstop EXP (Additive Material)
0.1 Gal/sk SCR-100L (Retarder)

Fluid Weight 16.50 lbm/gal
Slurry Yield: 1.65 ft³/sk
Total Mixing Fluid: 6.26 Gal/sk
Top of Fluid: 16700 ft
Calculated Fill: 300 ft
Volume: 40.57 bbl
Calculated Sacks: 138.24 sks
Proposed Sacks: 140 sks

Fluid 4: Rheologically Enhanced Spacer

TUNED SPACER III

1.3 gal/bbl SEM-8 (Additive Material)

Fluid Density: 14 lbm/gal

Fluid Volume: 10 bbl

Fluid 5: Mud

SBM

Fluid Density: 11.60 lbm/gal

Fluid Volume 690.47 bbl

Job Procedure

11-3/4 x 13-5/8" Liner (CONTINGENCY)

Detailed Pumping Schedule

| Fluid # | Fluid Type | Fluid Name | Surface Density lbm/gal | Estimated Avg Rate bbl/min | Downhole Volume |
|---------|------------|------------------|----------------------------|-------------------------------|-----------------|
| 1 | Spacer | TUNED SPACER III | 14.0 | | 150 bbl |
| 2 | Cement | Lead Cement | 16.5 | | 360 sks |
| 3 | Cement | Tail Cement | 16.5 | | 140 sks |
| 4 | Spacer | TUNED SPACER III | 14.0 | | 10 bbl |
| 5 | Mud | SBM | 11.6 | | 690.47 bbl |

HALLIBURTON

Cost Estimate

11-3/4 x 13-5/8" Liner (CONTINGENCY)

SAP Quote # 0

| <u>Mtrl Nbr</u> | <u>Description</u> | <u>Qty</u> | <u>U/M</u> | <u>Unit Price</u> | <u>Net Amt</u> |
|-----------------|-----------------------------------|------------|------------|-------------------|------------------|
| 7524 | CMT DRILLING LINER BOM | 1 | JOB | | 0.00 |
| 483826 | TUNED SPACER III | 160 | BBL | 122.28 | 19,564.80 |
| 101235089 | SEM-8 | 208 | GAL | 47.45 | 9,869.60 |
| 100003687 | PREMIUM CEMENT | 587 | SK | 14.71 | 8,634.77 |
| 101002314 | EZ-FLO | 39 | LB | 10.57 | 412.23 |
| 100012238 | SCR-100 L | 79 | GAL | 76.65 | 6,055.35 |
| 100001585 | KCL POTASSIUM CHLORIDE | 940 | LB | 0.55 | 517.00 |
| 101007446 | D-AIR 3000 | 138 | LB | 4.31 | 594.78 |
| 100003691 | SAND-200 MESH SILICA FLOUR SSA-1 | 11024 | LB | 0.24 | 2,645.76 |
| 100003676 | SAND-COMMON WHITE-100 MESH, SSA-2 | 83 | SK | 24.28 | 2,015.24 |
| 101280580 | GASSTOP EXP | 90 | GAL | 162.26 | 14,603.40 |
| | | | | | |
| | Total | USD | | | 64,912.93 |

Conditions

NOTE

The cost in this analysis is good for the materials and/or services outlined within. These prices are based on Halliburton being awarded the work on a first call basis. Prices will be reviewed for adjustments if awarded on 2nd or 3rd call basis and/or after 30 days of this written analysis. This is in an effort to schedule our work and maintain a high quality of performance for our customers.

The unit prices stated in the proposal are based on our current published prices. The projected equipment, personnel, and material needs are only estimates based on information about the work presently available to us. At the time the work is actually performed, conditions then existing may require an increase or decrease in the equipment, personnel, and/or material needs. Charges will be based upon unit prices in effect at the time the work is performed and the amount of equipment, personnel, and/or material actually utilized in the work. Taxes, if any, are not included. Applicable taxes, if any, will be added to the actual invoice.

It is understood and agreed between the parties that with the exception of the subject discounts, all services performed and equipment and materials sold are provided subject to Halliburton's General Terms and Conditions contained in our current price list, (which include LIMITATION OF LIABILITY and WARRANTY provisions), and pursuant to the applicable Halliburton Work Order Contract (whether or not executed by you), unless a Master Service and/or Sales Contract applicable to the services, equipment, or materials supplied exists between your company and Halliburton, in which case the negotiated Master Contract shall govern the relationship between the parties. A copy of the latest version of our General Terms and Conditions is available from your Halliburton representative or at:

http://www.halliburton.com/hcs/general_terms_conditions.pdf for your convenient review, and we would appreciate receiving any questions you may have about them. Should your company be interested in negotiating a Master Contract with Halliburton, our Law Department would be pleased to work with you to finalize a mutually agreeable contract. In this connection, it is also understood and agreed that Customer will continue to execute Halliburton usual field work orders and/or tickets customarily required by Halliburton in connection with the furnishing of said services, equipment, and materials.

Any terms and conditions contained in purchase orders or other documents issued by the customer shall be of no effect except to confirm the type and quantity of services, equipment, and materials to be supplied to the customer.

If customer does not have an approved open account with Halliburton or a mutually executed written contract with Halliburton, which dictates payment terms different than those set forth in this clause, all sums due are payable in cash at the time of performance of services or delivery of equipment, products, or materials. If customer has an approved open account, invoices are payable on the twentieth day after date of invoice.

Customer agrees to pay interest on any unpaid balance from the date payable until paid at the highest lawful contract rate applicable, but never to exceed 18% per annum. In the event Halliburton employs an attorney for collection of any account, customer agrees to pay attorney fees of 20% of the unpaid account, plus all collection and court costs.