

**REVISED PERMIT TO DRILL – 03 January 2012
OCS-G 31366, WELL NO. 001ST00BP00
EUGENE ISLAND AREA BLOCK 51**

REVISED GENERAL DRILLING PROCEDURE:

- Drilled 12-1/4" hole to 15,916' MD/TVD. Circulated and conditioned mud prior to POOH.
- Ran and cemented 9-5/8" 53.5# HCP-110 HYD 513 liner. Tested Liner top to 3000 psi.
- PU 8-1/2" bit, BHA and MWD Gamma Resistivity. Drilled 10' of new formation. Actual shoe test of 9-5/8" liner is 19.3 ppg.
- Drill 8-1/2" hole to ±17,841' MD/TVD. Circulate and condition mud prior to POOH.
- Run and cement 7-3/4" 46.105# Q-125-110 HYD 523 liner at ±17,841' MD/TVD. Tested Liner top to 3000 psi.
- Test shoe to 19.5 ppg
- Continue drilling 6-1/2" hole to ±19,000' MD/TVD.
- Log as per geologist instructions.
- If well is commercial:
 - A. run and cement 5 1/2 23# Q-125 HDY 513 liner at ±19,000' MD/TVD using landing collar, float collar, float shoe and liner hanger with annular pack off. This will provide three barriers exceeding requirements of CFR 250.420(b)(3).
 - B. cement 5 1/2" liner with 112 cf of cement. Bump plug with 1500 psi.
 - C. set liner and pack-off. Test liner and pack-off to 3500 psi.
 - D. GIH with DP and RTTS to ±17641' MD. Close hydril and displace DP with 2830' of seawater to achieve a negative test of 1 ppg. < 16.7 pore pressure on 5 1/2" liner top. Close choke and hold test from 30 minutes.
- A separate completion procedure will follow if well is commercial which will include tieback and cementing procedure for the 7-3/4" tieback string. If well is non-commercial, plug and abandon in accordance with 30 CFR, Part 250.1710 through 250.1717.

DRILLING MUD PROGRAM:

Depth (TVD)	Mud Weight	Type Mud	Minimum Reserve Quantities To Be Maintained On Board
0' - 1,000'	9.0 Non-Dispersed	Low Solids	1000 sxs Barite 200 sxs Gel
1,000' – 4,500'	9.0 - 9.5 Non-Dispersed	Low Solids	1000 sxs Barite 200 sxs Gel
4,500' - 14,360'	9.5 - 12.5 OBM	Low Solids Diesel	1268 sxs Barite
14,360' – 15,916'	12.5 – 16.4 OBM	Low Solids Diesel	1253 sxs Barite
15,916' – 17,841'	16.4 – 18.3 OBM	Low Solids Diesel	943 sxs Barite
17,841' – 19,000'	18.3 – 18.3	Low Solids	746 sxs Barite

Storage Capacity of Rig: Active Mud/Reserve Mud - See Specifications
 Dry Mud/Bulk Storage - See Specifications
 Sacked Mud & Cement - See Specifications

Transportation Time for Delivery of Supplies - ±3 hours

Rate and Method of Disposal: Drilling cuttings and water-base mud will be discharged overboard at rates not to exceed EPA's NPDES General Permit GMG290129 limitations. Any oil contaminated cuttings or oil-based mud will be transported to shore for proper disposal.

Casing Size	Collapse	Tension	Burst	Maximum Surface Pressure	Pressure Test Rate	Shoe Test
30" x 1"	1.10	1.10	1.10	Will not be S.I.	NA	--
20"	2.21	14.91	4.23	498	250 psi	N/A
16"	1.61	5.02	1.44	2992	3000 psi	14.5
11-7/8"	1.40	2.12	1.63	6552	7500 psi	18.1
9-5/8"	1.51	18.25	1.68	6458	3000 psi	19.3
					TOL	
7-3/4"	1.38	2.31	1.13	14,827	3500 psi	19.5
					TOL	
5-1/2"	1.24	21.96	1.11	14,827	3500 psi	N/A
					TOL	

These are minimum design factors. Actual safety factors will be at least these values.
 All zones containing oil, gas and/or fresh water will be protected with casing and cement.

CEMENT PROGRAM:

Hole	Casing	Depth (TVD)	Cement Volumes (Cu. Ft.)
26"	20"	1,000'	3276 Cu. Ft.
20"	16"	4,500'	6138 Cu. Ft.
14-3/4"	11-7/8"	14,360'	4820 Cu. Ft.
12-1/4"	9-5/8"	16,916'	691 Cu. Ft.
8-1/2"	7-3/4"	17841'	205 Cu Ft
6-1/2"	5-1/2"	19,000'	112 CuFt

BOP PROGRAM:

Interval	Equipment	Test Pressure
Drive Pipe	1 Annular Preventer with Diverter System	Function Test
Conductor	1 Annular Preventer with Diverter System	250 psi
Surface	1 Annular Preventer 2 Pipe Rams, 1 Blind/Shear Ram	250 psi/3500 psi 250 psi/3500 psi
Intermediate	1 Annular Preventer 2 Pipe Rams, 1 Blind/Shear Ram	250 psi/3500 psi 250 psi/8000 psi
Drilling Liner	1 Annular Preventer 2 Pipe Rams, 1 Blind/Shear Ram	250 psi/3500 psi 250 psi/8000 psi.
Liner & Production Casing	1 Annular Preventer 2 Pipe Rams, 1 Blind/Shear Ram	250 psi/3500 psi 250 psi/8000 psi.

Revised Permit to Drill – 03 January 2012
OCS-G 31366, Well No. 001ST00BP00, Block 51
Eugene Island, Offshore, Louisiana

BOP PROGRAM CONTINUED:

In accordance with 30 CFR 250.447(b) (c) "Blowout preventer (BOP) system tests, inspections and maintenance", Walter respectfully requests a waiver not to test the BOP's before drilling out each casing strings if fourteen (14) days have not elapsed since the last BOP pressure test.

TESTING PROGRAM:

Casing	Pressure Test Rate
20"	250 psi
16"	3000 psi
11-7/8"	7500 psi
9-5/8"	3000 psi TOL
7-3/4"	3500 psi TOL
5-1/2"	3500 psi TOL

LOGGING PROGRAM:

Depth (TVD):	Type
17,000'	check shot survey
19,000'	MWD/Gamma Resistivity

GEOLOGIC DATA:

Formation	Depth (TVD)
Tex. W 4100ms Sand	±17,141'

Drill Pipe:

5" 19.50# S-135 & 3-1/2" 13.3# S-135