

## RESOURCES INVESTMENT CORPORATION

### 10 POINT PLAN

1. The surface formation is the Huerfano formation of the Upper Cretaceous Period.
2. The estimated tops of important geological markers with depths calculated from an estimated RKB elevation of 6820' are as follows:

Huerfano	0'
Pictured Cliffs	2000'
Mesaverde	3535'
Gallup	5330'
Total Depth	5750'

3. Of the formations listed above, it is anticipated that the Gallup formation may be oil productive.
4. The proposed casing program is 8-5/8", 24#, K55, at 200' and, if productive, 4-1/2", 10.5#, K55, will be the completion casing. Both strings of casing will be new.
5. The operator's minimum specifications for pressure control is:

A series 900 double gate hydraulic BOP with a closing unit. The BOP's will be tested to 1000 psi after installation and checked daily thereafter.

6. It is proposed to drill the surface hole with gelled water and to drill to + 2000' with native mud. Low solids non-dispersed mud at 9 ppg. will be used from - 2000' to total depth.

Sufficient mud materials shall be stored at well site to meet mud requirements, minor lost circulation, and blowout problems.

7. Auxiliary equipment to be used will be a kellycock and a mud monitor. A full opening safety valve will be on the rig floor.
8. No Cores or DST's are planned for this well. A mud logger will be used below 1500'. The logging program will consist of a Gamma-Ray-Density log.

If the well is productive, it is planned to complete in the Gallup formation. A small frac treatment will probably be necessary to stimulate the well.