

OPERATIONS PLAN

U.S. Geological Survey

P.O. Box 1809

Durango, Colorado 81301

Re: Application for Permit to Drill

Jenny #1A

Rio Arriba County

New Mexico

Gentlemen:

Following is the information requested in NTL-6 to accompany the permit to drill.

1. Location:

790' FEL & 990' FSL  
Sec. 13, T26N, R4W NMPM  
Rio Arriba County, New Mexico

2. Elevation of Unprepared Ground:

7085' Gr.

3. Geologic Name of Surface Formation:

San Jose

4. Type Drilling Tools:

Rotary

5. Proposed Drilling Depth:

8100'

6. Estimated Tops of Geologic Markers:

Pictured Cliffs	- - 3754'	Gallup	- - 6876'
Lewis	- - 3832'	Green Horn	- - 7644'
Cliff House	- - 5444'	Dakota	- - 7866'
Pt. Lookout	- - 5902'		
Mancos	- - 6056'		

7. Estimated Depths at which Anticipated Gas or Oil Bearing Formations

<u>Expected:</u> Pictured Cliffs	- - 3754'	Dakota	- - 7866'
Cliff House	- - 5444'		
Pt. Lookout	- - 5902'		
Gallup	- - 6876'		

8. Casing Program and Setting Depth:

	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Condition</u>	<u>Setting</u>	<u>Depth</u>
Surface	10-3/4"	40.5#	X-42	New	300' ±	
Intermediate	7-5/8"	26.4#	K-55	New	4050'	
Liner	5-1/2"	15.5#	K-55	New	8100'	

9. Casing Setting Depth and Cement:

a. 300' ± w/300 sx.

b. 7-5/8" @ 4050' w/200sx.

c. 5-1/2" f/3950' to 8100' w/300 sx.