

SANTA FE ENERGY OPERATING PARTNERS, L.P.  
OPERATIONS PLAN  
Right Hand Canyon Federal No. 1

1. Drill a 17-1/2" hole to 300'±.
2. Run 13 3/8" 48.0 ppf H-40 ST&C casing. Cement with 350 sacks Class "C" cement containing 2% Calcium Chloride. Run centralizers on every other joint above shoe. Apply thread lock to bottom two joints, float collar and guide shoe.
3. Wait on cement six hours.
4. Cut off casing. Nipple up and install BOP system.
5. Test casing to 600 psi.
6. Drill a 12 1/4" hole to 2300'.
7. Run 8 5/8" 32.0 ppg K-55 ST&C casing. Cement with 1000 sacks Howco lite containing 1/4 ppg flocele followed by 200 sacks Class C with 2% CaCl<sub>2</sub>. Run guide shoe on bottom and float collar one joint off of bottom. Centralize every other joint for bottom 400' of casing and place two centralizers in surface casing. Thread lock bottom 2 joints.
8. Wait on cement eight hours.
9. Cut off casing. Nipple up and install BOP system and choke manifold.
10. Test BOP to 3000 psi. Test casing to 1500 psi.
11. Drill 7-7/8" hole to 9,850'. Run logs.
12. Either run and cement 5-1/2" production casing or plug and abandon as per BLM instructions.

Exhibit A  
Santa Fe Energy Operating Partners, LP  
Right Hand Canyon Federal No. 1  
Section 34, T21S-R24E  
Eddy County, New Mexico

DDR:tm-2705