

OPERATIONS PLAN

SANTA FE SNYDER CORP.

OLD RANCH KNOLL "8" FED #5

1. Drill a 12 3/4" hole to approximately 1600'.
2. Run 9 5/8" 36.0 ppf K-55 ST&C casing. Cement with 775 sx Class "C" cement containing 2% CaCl_2 . Run centralizers on every other joint above the shoe. Apply thread lock to bottom two joints and guide shoe.
3. Wait on cement for six hours prior to cutting off.
4. Nipple up and install a 3000 psi. Double Ram and Annular BOP system with choke manifold. WOC 18 hours prior to drilling out.
5. Test BOP system to 1500 psi with the rig pump. Test casing to 1500 psi.
6. Drill 8 3/4" hole to 8500'. Run logs.
7. Either run and cement 8500' of 7" 26.0 PPF LT&C casing or plug and abandon as per BLM requirements.

Exhibit "A"
Santa Fe Snyder Corp.
Old Ranch Knoll "8" Fed #5
Section 8, T-22-S, R-24-E
Eddy County, New Mexico