Right Hand Canyon 34 Federal #4 DRILLING PLAN PAGE 2

4.

Casing Program (see Exhibit #7)

Weight, ppf Hole Size Interval Casing OD Grade Type 13 3/8" 48 H-40 ST&C 17 1/2" 0-207' 0-2,784' 8 5/8" 24 & 32 J-55 ST&C 12 1/4" 26 & 23 7" L-80 / HCL-80 FL-4S 7 7/8" $0-8.500\pm$ **Cementing Program** Cemented to surface -- with 200 sx Class C with 2% CaCl₂ 13 3/8" Surface Casing (existing) 8 5/8" Intermediate Cemented to surface – with 500 sx Class C Incor with 8% gel, 1/4 lb/sx Cello Flakes + 150 sx Class C Incor; ran Temperature Svy Casing (existing) which showed TOC at approximately 650' Topped with 1480 sx Class C Incor with 4% CaCl₂. Cement to 6500' - with 104 sx (15:61:11) Poz (fly ash):Class C:CSE 5 1/2" Production Casing with 2% K Cl₂, 0.6% FL-25, 0.6% FL-52, 0.3% CD-32, 2 lbs/sx EC-(proposed) 1, 5 lb/sx LCM-1, 1/4 lbs/sx Cello Flakes, 71.3% fresh water + 294 sx (60:40) Poz (fly ash):Class C with 4% MPA-1, 2% NaCl₂ 0.5% BA-10, 1/4 lb/sx Cello Flakes, 62.9% fresh water + 236 sx (60:40) Poz (fly ash):Class C with 4% MPA-1, 5% NaCl₂, 1/4

The cement volumes for the 7" casing will be revised pending the caliper measurement from the open hole logs.

lb/sx Cello Flakes, 60.7% fresh water

5. Minimum Specifications for Pressure Control

The blowout preventer equipment (BOP) shown in Exhibit #1 will consist of a (3M system) double ram type (3000 psi WP) preventer and a bag-type (Hydril) preventer (3000 psi WP). Both units will be hydraulically operated and the ram type preventer will be equipped with blind rams on top and 4 1/2" drill pipe rams on bottom. Both BOP's will be installed on the 8 5/8" casing and utilized continuously until total depth is reached. As per BLM Drilling Operations Order #2, prior to drilling out the 8 5/8" shoe plug, the BOP's and Hydril will be function tested.