Application for Drilling Sterling Silver 33 Federal No. 2 Page 1

Logging:

Logging from 4180 - TD: Dual Laterolog with Gamma Ray Neutron-Density with Gamma Ray Computer Process Log over selected intervals

Logging from surface to 4600': Neutron with Gamma Ray

- 9. Abnormally high pressured zones are expected at this location. Sufficient barite will be on location to enable the weighting up of the drilling fluid to control any high pressured zone encountered. Along with the above mentioned primary control, a Blow Out Preventer System as outlined in Exhibit B will be utilized should the need arise to shut the well in prior to running and cementing production casing.
- 10. Starting Date: As soon as possible.

MRB:dw-192