

THREE RIVERS OPERATING COMPANY, LLC

3ROC State 151729 #1

30-015-39771

Closed Loop System

Operating and Maintenance Procedures

and

Closure Plan

Operating Procedures

Three Rivers Operating Company will utilize a closed loop system to collect and process drilling fluids and solids generated during drilling operations on the 3ROC State 151729 #1. This system (see Figure 1) will be monitored, serviced, and maintained 24 hours daily by Rig Personnel. All liquids and solids will be contained in steel vessels.

Drilling fluids will be recycled and reused on location or stored for utilization on subsequent wells. Surplus fluids will be transported to an approved Disposal Site.

Solids will be separated from the drilling fluids and transferred to transport containers. The containers will be trucked to an approved Disposal Site for solids disposal.

No hazardous materials will be discharged into the Closed Loop System.

Closure Plan

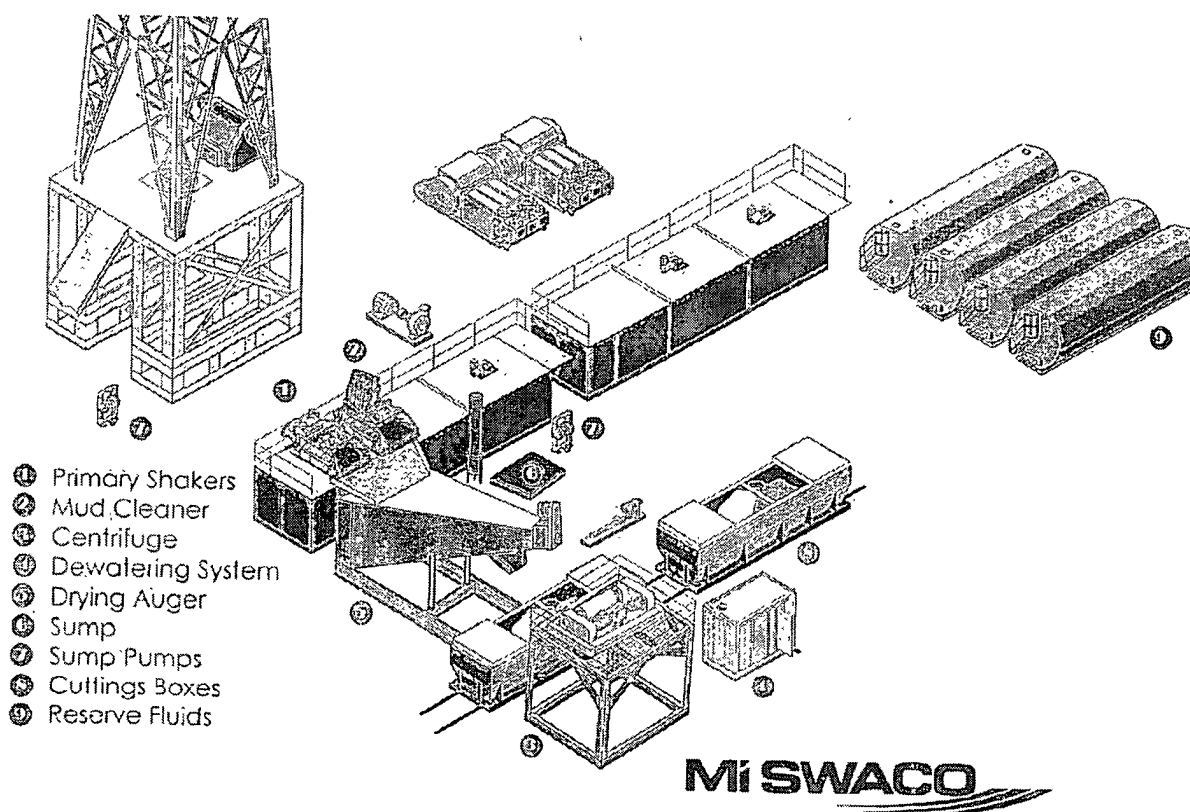
Upon the conclusion of drilling operations, the closed loop system will be removed from the well site. Upon completion of testing and facility installation operations, the location pad size will be reduced to the minimum allowed for safe and efficient operation. Stockpiled surface materials will be utilized to restore the location to as original condition as feasible.

FIGURE 1

CLOSED LOOP SYSTEM

Three Rivers Operating Company, LLC

3ROC State 151729 #1



Note: Exact equipment and layout configuration may vary dependent upon Rig utilized and Vendor availability.