

8. Logging, Testing and Coring Program

A. Drill stem tests will be based on geological sample shows.

B. The open hole wireline logging program will be as follows.

TD to intermediate casing: Induction / Gamma Ray / Neutron / Density Log.

TD to surface: Neutron with Gamma Ray.

C. Rotary sidewall cores will be based on geological sample shows.

D. Additional testing will be initiated subsequent to setting the 5 1/2" production casing. Specific intervals will be targeted based on geological sample shows, drill stem tests log evaluation and core analysis.

9. Abnormal Pressures, Temperatures and Potential Hazards

No abnormal pressures or temperatures are foreseen. The anticipated bottom hole temperature at total depth is approximately 175 degrees and maximum bottom hole pressure is approximately 3500 psig. No hydrogen sulfide gas has been reported or is known to exist at these depths in this area. No major lost circulation intervals have been encountered in adjacent wells.

10. Anticipated Starting Date and Duration of Operations

A Cultural Resources Examination will be completed by Don Clifton Archaeological Consultant and submitted to the BLM. Road and location preparation will not be undertaken until approval has been received from the BLM. If approved, the anticipated spud date for the well will be in the first quarter, 1999. The drilling operation should require approximately 21 days. If the well is deemed productive, completion operations will require, at minimum, an additional 30 days of testing to ascertain whether permanent production facilities will be constructed.