

# Robert L. Bayless, Producer LLC

## DRILLING PROGRAM

(Attachment to Form 3160-3)

### Weaver Ridge # 13-9H

SHL: 2075' FSL & 879' FEL (NESE) Section 13, T1S R104W  
BHL: 550' FNL & 660' FWL (NWNW) Section 24, T1S R104W  
Rio Blanco County, Colorado  
Federal Lease: COC-058704

#### 1. SURFACE FORMATION -

Green River Formation – Fresh water possible above 300'.

SURFACE ELEVATION      5858 ft (Ground Elevation)

#### 2. ESTIMATED FORMATION TOPS      (Water, oil, gas and/or other mineral-bearing formations)

|             |          |  |
|-------------|----------|--|
| Green River | Surface  | Sandstones, shales, siltstones, some water, oil or gas bearing |
| Wasatch     | 911 ft   | Sandstones, shales, siltstones, some water, oil or gas bearing |
| Mesaverde   | 1,371 ft | Sandstones, shales, siltstones, some water, oil or gas bearing |
| Sego        | 2,538 ft | Sandstones, shales and siltstones, some water and gas bearing  |
| Castlegate  | 3,043 ft | Sandstones, shales and siltstones, some water and gas bearing  |
| Mancos      | 3,201 ft | Shales and siltstones, some water and gas bearing              |
| Mancos A    | 4,038 ft | Shales and siltstones, some water and gas bearing              |
| Mancos B    | 4,867 ft | Shales and siltstones, some water, oil and gas bearing         |

Lateral Measured Total Depth 8,135 ft

#### 3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS

Green River Formation – Fresh water possible above 300'.

Mancos B – 4,867' – 8,135' Gas/Oil - Lateral Measured Depth

Water Zones will be protected by setting 9 5/8" casing to 500 ft and circulation cement back to surface. All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth, and adequately protected. A sample will be taken of any water flow and furnished to the White River Field Office for analysis, if requested. All water shows must be reported within one (1) business day after being encountered.

4. CASING PROGRAM (See attached surface casing and centralizer design – Exhibit 2)

| Interval (MD)  | Hole Diameter | Casing Diameter | Casing Weight and Grade | Section      | Cement *  |
|----------------|---------------|-----------------|-------------------------|--------------|---|
| Surf – 500 ft  | 12-1/4"       | 9-5/8"          | 36# J-55 ST&C           | Surface      | To surface with $\pm 290$ sxs Class "G"   |
| 500 – 4900 ft  | 8-3/4"        | 7"              | 23# N-80                | Intermediate | Lead: $\pm 100$ sx Premium Lite II (2900 ft - surface)<br>Tail: $\pm 370$ sx 50:50 Pozmix G (2900 ft – 4900 ft) |
| 4900– 8,500 ft | 6 1/8"        | *4-1/2"         | *11.6# I-80 LT&C        | *Liner       | *Liner will not be cemented. Packers plus systems   |

\* Bayless intends to complete this well as an open hole completion to evaluate production before making the decision of running a 4-1/2" liner. If so, 4-1/2" liner will not be cemented.

\*Yields: "Class G" =  $1.15 \text{ ft}^3/\text{sx}$   
 "Premium Lite II" =  $3.82 \text{ ft}^3/\text{sx}$   
 "50:50 Pozmix G" =  $1.26 \text{ ft}^3/\text{sx}$

- 9 5/8" Surface Casing will be cemented to surface with 100% excess.
- 7" Intermediate casing will remain in place from surface to 4900 ft and it will be cement to surface with 60 % excess.
- Two centralizers will be installed on the float joint and one every second joint through all prospective pays.

\* - Actual cement volumes will be determined by caliper log.

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

(See attached BOP schematic diagram – Exhibit 3)

All well control equipment shall be installed in accordance with Onshore Order #2 for 3M (3000 psi) systems.

Well control equipment will be rigged up after setting surface casing.

The minimum specifications for pressure control equipment that will be provided are included on the attached schematic diagram (Exhibit 3) showing size and pressure readings. BOP's and choke manifold will be installed and pressure tested before drilling out under surface casing (subsequent pressure test will be performed whenever pressure seals are broken), and then will be checked daily as to mechanical operating condition. BOP's will be pressure tested at least once every 30 days. Ram type preventors and related pressure control equipment will be pressure tested to rated working pressure of the stack assembly if a test plug is used. If a plug is not used, the stack assembly will be tested to the rated working pressure of the stack assembly or to 70% of the minimum internal yield of the casing, whichever is less. Annular type preventors will be pressure tested to 50% of their rated working pressure. All casing strings will be pressure tested to 0.22 psi/ft. or 1500 psi, whichever is greater, not to exceed 70% of internal yield.

## 6. MUD PROGRAM

| Interval  | Mud Type           | Weight    | Viscosity | Water Loss (cc) |
|-----------|--------------------|-----------|-----------|-----------------|
| 0 - 500   | LSND KCL system    | 8.4 - 8.6 | 38 - 42   | 6-8             |
| 500-4900  | KCL/polymer system | 8.4 - 9.4 | 45 – 60   | 6-8             |
| 4900-8136 | KCL/polymer system | 9.4 - 9.8 | 60 – 80   | 3-5             |

Sufficient mud materials to maintain mud properties, control lost circulation and to contain “kick” will be available at the well site while drilling. Mud will be checked hourly by rig personnel. Material to soak up possible oil or fuel spills will be on site. A mud logger, gas detector and flow sensor will be used. Pressure, volume and temperature will be monitored. It is no intended to use oil in the mud.

## 7. AUXILIARY EQUIPMENT

- A) Upper kelly cock (lower kelly cock - will be available on rig floor)
- B) Inside BOP or stab-in valve (available on rig floor)
- C) Mud monitoring will be visually observed

## 8. LOGGING, CORING, AND TESTING PROGRAM

- A) Logging: The electric logging program will consist of a Gamma Ray and Resistivity While drilling from KOP (700 ft) to TD
- B) Coring: No coring is planned for this well.
- C) Testing: No DSTs are planned. A DST may be run on an unexpected show of interest.
- D) Mud Logging: Mud logger will be present from 700 ft to TD.

## 9. ABNORMAL CONDITIONS

- A) Pressures: No anticipated abnormal pressures expected to be encountered  
Mancos formation pressure gradient-approximately 0.42 psi/ft
- B) Temperatures: No anticipated abnormal temperatures expected to be encountered
- C) H2S: No Hydrogen Sulfide expected
- D) Anticipated bottom-hole pressure: less than 2,000 psi

## 10. ANTICIPATED START DATE AND OTHER INFORMATION

The anticipated starting date and duration of the drilling operations will be as follow:

- Starting date: September 01, 2010
- Drilling Days: Approximately 20 days
- Completion Days: Approximately 5 days

The well will be drilled from surface location to bottom hole location per attached directional plan as shown on exhibit 8. The proposed well path should not pose any collision or interference concerns with any existing wells along its proposed path (see exhibit 1B).

Footage at top of Productive Zone (intermediate casing shoe) 1365 'FSL & 1918' FEL, Sec 13 T1S R104W

Existing location pad will be of sufficient size to accommodate all completion activities and equipment without new surface disturbance. All conditions of this approved plan will be applicable during all drilling and completion operations.