Koch Exploration Company, LLC.
AHU Wyatt 25-43 SWD
441' FSL 1959' FEL (SW/4 SE/4)
Sec. 25, T2N, R97W
Rio Blanco County, Colorado
FEE Lease – Oscar S. Wyatt, Jr.

DRILLING PROGRAM

SURFACE FORMATION Wasatch – Fresh water possible above 200'.

GROUND ELEVATION 5,819'

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

Wasatch	Surface	Sandstones, shales, siltstones, some water, oil or gas bearing
Ohio Creek	2,476'	Sandstones, shales, siltstones, some water, oil or gas bearing
Williams Fork	3,246	Sandstones, shales, siltstones, some water, oil or gas bearing

TOTAL DEPTH 3,700'

CASING PROGRAM

Depth	Hole Diameter	Casing Diameter	Casing Weight and Grade	Cement
0' - 250'	16"	13 3/8"	48# J55 STC - New	Lead: 170sks HalCem V2, Tail: 200sks HalCem V2
250' - 1,100'	12 1/4"	9 5/8"	36# J55 STC - New	Lead: 170sks VariCem V1, Tail: 150sks HalCem V2
1,100' - 3,700'	8 3/4"	7"	23# N80 LTC - New	Lead: 220sks EconoCem V1, Tail: 180sks BondCem V1

Yields:	HalCem V2	1.19	ft^3/sk
	VariCem V1	2.81	ft^3/sk
	EconoCem V1	2.15	ft^3/sk
	BondCem V1	1.35	ft^3/sk

PRESSURE CONTROL (See attached schematic diagram)

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 1,500 psi, whichever is greater, no to exceed 70% of the internal yield.

MUD PROGRAM

Interval	Mud Wt.	Viscosity	Fluid Loss	Mud Type
0' - 1,100'	8.6 - 9.2	28-35	NC	Spud mud
1,100' - 3,450'	8.6 - 9.2	28-35	NC	Water with sweeps
3,450' - 3,700'	8.8 - 9.4	34-40	15cc or less	Gel/polymer

AUXILIARY EQUIPMENT

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

LOGGING, CORING, TESTING PROGRAM

A) Logging: DIL-GR: TD to BSC (GR to surface)
CNL-FDC-GR: TD to BSC
Sonic-GR: TD to BSC
B) Testing: Step rate test conducted in zone within injection interval (3000' – 3,300') to determine Ohio Creek disposal allowable pressures.

ABNORMAL CONDITIONS

A) Pressures: No abnormal pressures are anticipated.
Mesaverde/Ohio Creek pressure gradient +/-0.44 psi/ft
B) Temperatures: No abnormal conditions are anticipated
C) H_2S: None anticipated
D) Estimated BHP: 1,628 psi

COMPLETION

The location pad will be of sufficient size to accommodate any equipment used for perforating and acid breakdowns, as these will be the only stimulation necessary for the proposed water disposal well. The prospective Ohio Creek disposal zone will be step-rate tested and water will be sampled for analysis. These data sets will be submitted as subsequent attachments for the Form 31 Underground Injection Formation Permit Application. For disposal, a 2 7/8" J-55 6.4#/ft tubing string will be run and set with a production packer at +/-2,970'.