

Mesa Energy Partners, LLC
BDU 26-7-199 (fka Buckhorn Draw Unit 6607A G26 199)
1,497' FNL 1,504' FEL (SW/4 NE/4)
Sec. 26 T1S R99W
Rio Blanco County, Colorado
Surface: Federal
Federal Mineral Lease: COC64841

DRILLING PROGRAM

Please contact Mr. Kevin Weller, Vice President, Engineering with Mesa Energy Partners, LLC at 303-951-0483, for all drilling, completion and all other matters.

SURFACE ELEVATION – 6,797.1' (Un-graded ground elevation)

SURFACE FORMATION – Green River – Fresh water possible

ESTIMATED FORMATION TOPS

| <u>Formation</u> | <u>Depth</u> | <u>Description</u> |
|--------------------|--------------|--------------------|
| Green River | Surface | Sandstones, shales |
| Top A Groove | 965' | Sand |
| Mahogany Bench Top | 985' | Oil shales |
| Base B Groove | 1,145' | Sand |
| Wasatch | 2,500' | Sandstones, shales |
| Williams Fork | 5,750' | Sandstones, shales |
| Top of Gas | 7,150' | Sandstones, shales |
| Rollins | 8,645' | Sandstones, shales |
| Cozzette | 8,750' | Sandstones, shales |
| Corcoran | 8,950' | Sandstones, shales |
| Sego | 9,580' | Sandstones, shales |

TOTAL DEPTH 10,000'

ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS, OR MINERAL BEARING FORMATIONS

Estimated depths at which water, oil, gas or other mineral-bearing formations are expected to be encountered:

| <u>Formation</u> | <u>Depth</u> | |
|--------------------|--------------|-----------------------|
| Green River | Surface | Possible water |
| Top A Groove | 965' | Possible water |
| Mahogany Bench Top | 985' | Oil shale |
| Base B Groove | 1,145' | Possible water |
| Wasatch | 2,500' | No Potential Gas |
| Williams Fork | 5,750' | Potential gas |
| Top of Gas | 7,150' | Top of Continuous Gas |

| | | |
|----------|--------|---------------|
| Rollins | 8,645' | Potential gas |
| Cozzette | 8,750' | Potential gas |
| Corcoran | 8,950' | Potential gas |
| Sego | 9,850' | Potential gas |

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and protected.

CASING PROGRAM

| Depth | Hole Diameter | Casing Diameter | Casing Weight and Grade | Cement |
|--------------|---------------|-----------------|-------------------------|---|
| 0' – 100' | 20" | 16" | Conductor Casing | Class III to surface |
| 0' – 3,000' | 12-1/4" | 9-5/8" | J-55 36# ST&C New | To surface: (Lead: ± 484 sxs Class G; Tail: ± 242 sxs Class G) |
| 0' – 10,000' | 7-7/8" | 4-1/2" | P-110 11.6# LT&C New | TD to 2,800': (Lead: ± 770 sxs Class G 75:25 Poz; Tail: ± 451 sxs Class GTXI) |

* All cement volumes will be determined by caliper log.

If caliper logs are not available, then surface casing cement volumes will be calculated at 100% excess and production casing cement volumes will be calculated at 25% excess.

Centralizers will be installed per approved centralizer program from cement vendor.

| | | | |
|---------|------------|-------|--|
| Yields: | Surface | Lead: | Class "G" yield = $2.11 \text{ ft}^3/\text{sx}$ (12.5 ppg) |
| | | Tail: | Class "G" yield = $1.54 \text{ ft}^3/\text{sx}$ (14 ppg) |
| | Production | Lead: | Class "G" 75:25 Poz yield = $1.89 \text{ ft}^3/\text{sx}$ (12 ppg) |
| | | Tail: | Class "G" TXI yield = $1.88 \text{ ft}^3/\text{sx}$ (13 ppg) |

Cement additives – (Note: Some additives are Halliburton or BJ Services proprietary products. If another cement contractor is used, these blends and products may vary slightly).

| | | |
|-------------|-------|--|
| Surface: | Lead: | Class G 2.00% bwoc CaCl_2 0.25% bwoc Cello Flake 8.00% bwoc Bentonite 24.40% Fresh Water |
| | Tail: | Class G 2.00% bwoc CaCl_2 0.25 lbs/sx Cello Flake 44.30% Fresh Water |
| Production: | Lead: | Class G 75:25 POZ 2.00% bwoc CaCl_2 0.25 lbs/sx Cello Flake 44.30% Fresh Water |

Tail: **Class G TXI**
w/ 2.00% bwoc CaCl₂
0.25 lbs/sx Cello Flake
44.30% Fresh Water

PRESSURE CONTROL

- See attached Blowout Preventer (BOP) diagram.

BOPs and choke manifold will be installed and pressure tested before drilling out of surface casing (subsequent pressure test will be performed whenever pressure seals are broken), and then will be checked daily as to mechanical operating condition. BOPs will be pressure tested at least once every 30 days. Ram type preventers and related pressure control equipment will be pressure tested to related 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 70% of the minimum internal yield of the casing, whichever is less. Annular type preventers will be pressure tested to 50% of their working pressure. All casing strings will be pressure tested to 0.22 psi/ft or 1,500 psi, whichever is greater, not to exceed 70% of the internal yield. If a 5M system of greater is used, the casing shoe will be tested by drilling 5-20' out from under the shoe and pressure tested to a maximum expected mud weight equivalent as shown in the mud program listed below.

A manual locking device (i.e. hand wheels) or automatic locking devices shall be installed on the BOP stack. Remote controls capable of both opening and closing all preventers shall be readily accessible to the driller.

The BOP equipment will be tested after any repairs to the equipment. Pipe rams, blind rams and annular preventer will be activated on each trip and weekly BOP drills will be conducted with each crew. All tests, maintenance, and BOP drills will be documented on rig "tower sheets".

Statement of Accumulator System and Location of Hydraulic Controls

The drilling rig has not been selected for this well. Selection will take place after approval of this application is granted. Manual and/or hydraulic controls will be in compliance with OSO #2 for a 3,000 psi system.

A remote accumulator will be used.

MUD PROGRAM

| | | |
|----------|--------|----------------------|
| 0' - | 3,000' | Spud Mud |
| | | M.W.: 5.0 – 9.5 |
| | | F.L.: NC |
| | | Visc.: 20 - 80 |
| 3,000' - | 6,000' | Gel/Polymer |
| | | M.W.: 5.0 – 10.5 ppg |
| | | F.L.: 6 - NC |
| | | :Visc.: 30 - 100 |
| 6,000' - | TD | Gel/Polymer |
| | | M.W.: 8.5 – 11.5 ppg |
| | | F.L.: 4 - 10 |
| | | :Visc.: 30 - 100 |

Sufficient mud materials to maintain mud properties, control lost circulation and to contain a “kick” will be available on location.

AUXILIARY EQUIPMENT

- A. Upper Kelly cock; (lower Kelly cock to be available on rig floor).
- B. Inside BOP or stabbing valve with handle (available on rig floor).
- C. Safety valve(s) and subs to fit all string connections in use
- D. Mud monitoring will be visually observed.

LOGGING, CORING TESTING PROGRAM

- A. Logging: Triple Combo: TD to base of surface casing (GR to surface)
CBL-CCL-GR: TD to 500' above top of cement
- B. Coring: Possible sidewall cores in Williams Fork/Cameo.
- C. Testing: No Drill Stem Tests (DSTs) are planned. DSTs may be run on shows of interest.

ABNORMAL CONDITIONS

- A. Pressures: No abnormal conditions are anticipated
Cameo pressure gradient is 0.40 psi/ft
Williams Fork pressure gradient 0.30 psi/ft
- B. Temperatures: No abnormal conditions are anticipated
- C. H₂S: None anticipated
- D. Estimated bottomhole pressure using 0.45 pressure gradient: 4,500 psi at TD

ANTICIPATED START DATE

March 15, 2011

COMPLETION

The location pad will be of sufficient size to accommodate all completion activities and equipment. A string of 2-3/8" J-55 4.7#/ft tubing will be run for a production string. A Sundry Notice (SN) will be submitted with a revised completion program if warranted.