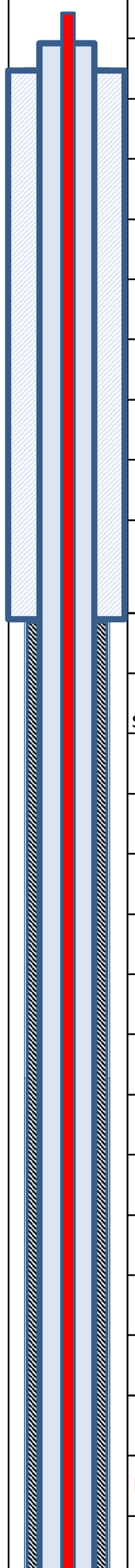
DRILLING SUMMARY					Caerus Oil & Gas, LLC	GL: 6461 TD MD: 6000
PICEANCE BASIN: SAVAGE 8A 794						RKB: 6491 TD TVD: 6000
Section	Hole/Bit	Casing	Top RKB	Btm RKB	600 17th Street, Suite 1600N, Denver, CO 80202	Rig: H&P 330
Conductor	30"	16", 42#, .250 wall	30	90		
Surface	13 1/2"	9 5/8", 36#, J55, LTC	30	2500	SWD WELL	From I-70 Exit 81 Rulison. South on CR 323 .5 mile. Turn left on CR 320 travel 3.6 miles. Turn South on CR 329 and travel 2.1 miles. Turn right on CR 351 and travel .4 miles to location.
Production	8 3/4"	7" 26# HCN 80	30	6000	Section 8 T7S R94W	
Tubing	6.500	4 1/2" ????	30	5500	Garfield County, CO	

All depths RKB	MD	TVD
RKB	0	
GL-RKB	30	
16", 42#, .250 wall	90	90
9 5/8", 36#, J55, LTC	2500	
TOC Prod Csg	1500'	
Top of Gas	NA	
Ohio Creek Injection Zone	5100	
Tubing	5500	
Injection Packer	TBD	
PBTD	5940	
7" 26# HCN 80	6000	



CONDUCTOR: Drill 26" vertical hole & pre-set 16" conductor pipe. No mouse holes required. Set 6' deep x 6' diameter corrugated cellar ring and back-fill to grade. Cut-off conductor such that casing head valves are at TBD" above GL final height.

CONDUCTOR CEMENT: TD to Ground Level.

13 1/2" SURFACE HOLE: Tack weld 16" load ring in place. MIRU Drilling Rig. Cellar pump for mud/cmt returns. (No Riser).

BHA: 13 1/2" Insert to 400' then PDC Bit to 1200'. 8" bearing x 8" pwr MM, 30' 8" NMDC, 8" Gap, 30' 8"NMDC, XO , & (15) 5" SWDP, 5" DP.

MUD PROGRAM: 8.4-9.4 ppg; 35-40 FV, 8 PV, 10 YP, water-gel spud mud. 8 ppb bentonite, .25 ppb lime, .1 ppb SAPP f/bit balling.

PHPA sweeps to clean the hole.

SURFACE CASING: 9 5/8" casing w/ GS, 1Jt, FC, 1 jt. Centralize 1st & ev 3rd 5 total. Land casing head shoulder into load ring. RU cement head.

SURFACE CEMENT 9 5/8" CASING: From TD to surface. Top out cmt as necsssary to surface.

Cement Specs Pending

A closed loop circulating system will be utilized. Drill cuttings will be stockpiled on location for beneficial re-use.

10" flowline will be plumbed to flowline and shale shakers. A bypass and drill-through mud/gas separator with mud, LCM, & drill cutting returns out the bottom back to the shale shakers. HCR

Any formation gas will be vented via blooie line to flare stack & ignitor 100' from well.

Cellar dredge pumps will be furnished by the drilling contractor to move mud returns back to active pits.

NU 11" 5M BOPE & Test.

Directionally drill 8 3/4" production hole to MD TD. Lost circulation, sloughing shale and tight hole conditions may be encountered.

BHA: 8 3/4" PDC bit, 6 3/4" Mtr, 6 1/2 NMDC, gap sub, NMDC, 15 x 5" HWDP, 5" DP

MUD PROGRAM: 9.0-11.5 ppg, Low solids, lightly dispersed, 45-60 sec/qt, 6-8 cc, 8.5-9.5 pH, 20-25 PV, 8-12 YP, 12-17 MBT, 15-20 PPB LCM, 10-12 ppb bentonite, .35 ppg PHPA, 1 ppb

Pre-mix tank will be utilized w/ weighted LCM readily available for losses and gas kicks. Mica, sawdust, medium nutplug, and multi-seal.

Higher MW requirements due to gas influx and shale stability maintenance.

Gel, Barite, LCM, Soltex, Lignite, Drispac, PHPA, Caustic, CI300, DESCO, Bicarb, Bactericide.

Shale inhibitor, Viscosifiers, Thinners, LCM, Alkalinity Control, Weighting.

Lost circulation expected below 5000'. Gas influx expected at 5600'.

PRODUCTION CASING: 7" casing w/ FS, 1jt, FC. Centralize 1st & ev 3rd jt 10 total bo spring only.

PRODUCTION CEMENT: SINGLE STAGE DESIGN TOC TO 1500' FROM SURFACE W/ 15% EXCESS.

Displace w/ fresh water and clay stabilizer. Slow pumps and bump wiper plug at 500 psi over recorded 2 BPM FCP.

OPEN HOLE LOGS: TBD