

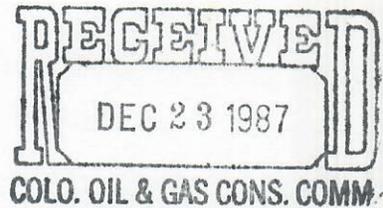


# H & M Oil Producers, Inc.

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## EXHIBIT "A"

### Program I

- 1) Drill 12 1/4" hole to  $\pm$  500'.
- 2) Drill 7 7/8" hole from 500' thru the Glorietta at - 1500'.  
NOTE: Before topping the Glorietta add gel to mud and carry 3% LCM. Footage rate prevailing to 1500'.
- 3) Set 8 5/8" 24#/foot, STC casing at 500' if the pilot hole didn't indicate lost circulation problems. Use guide shoe w/insert baffle plus 2 centralizers and a cement basket on bottom joint of casing. Tack weld bottom two joints. With cement in place, tag shoulder of 12 1/4" by 7 7/8" hole and W.O.C. minimum 8 hours before welding on casing head. Top flange of casing head to be  $\pm$  6 inches below top of cellar or ground level.
- 4) Nipple up BOP's, close blind rams and pressure test casing & BOP's to 600 PSI.
- 5) P.U. bit w/drilling BHA and T.I.H. Close pipe rams and pressure test to 600 PSI. If okay drill out shoe joint.
- 6) R.I.H. to  $\pm$  1500' conditioning hole as required. The rig hours, once the bit is below the 8 5/8" casing and while conditioning the 7 7/8" pilot hole, shall be compensated for on a daywork rate basis.

Should lost circulation problems become apparent while drilling the 7 7/8" open hole from 500' to  $\pm$  1500' the following program will be followed.

### Program II

Steps 1 & 2 as above.

- 3) Run 12 1/4" bit and open pilot hole from 500' to  $\pm$  1500'. Mud properties and LCM percent carried as needed.
- 4) Set 8 5/8" 24#/foot, STC casing at TD  $\pm$  1500'. Cement casing using lite weight cement followed by 150 sacks of neat. Tack weld bottom two joints. Use 3 centralizers and a cement basket and a G.S. plus float collar one joint up.
- 5) W.O.C. minimum 8 hours before welding on 8 5/8" casing head. Head to be welded on so top flange is  $\pm$  6" below ground level or top of cellar.
- 6) Same as step 4 in Program I.
- 7) Same as step 5 in Program I.