GEOLOGIC WELL PROGNOSIS

| COMPANY: | Methane Energy | | WELL NAME: | Goat Creek Corehole |
|--|---|--|--|---------------------------|
| ANTICIPATE SPUD DATE | : Novem | ber 2004 | <u>TWIN</u> : | GCO CH CB - 21 |
| SURFACE LOCATION: | Approx | x. 650' FSL, 650' FWL | ESTIMATED TD: | 2500 Feet |
| LEGAL LOCATION: | SEC 3 | 5, T26S-R13W | ELEV. & TOPO: | 500' ASL () |
| COUNTY: | Coos | | <u>STATE</u> : | Oregon |
| TERRAIN & ACCESS: | Hilltop | Hilltop terrace; access good near paved highway; gravel road to location | | |
| OBJECTIVE FORMATION | <u>DN</u>: Upper & Lower Coaledo Fm. | | <u>HIGHEST DIP</u> : | 10° @ 1300' |
| TYPE OF WELL: | Vertica | al | | |
| FORMATIONS TO <u>BE PENETRATED</u> : | <u>TOPS</u> | EST. THICKNESS | <u>DOM. LITHOS.</u> | POSSIBLE PINNATE, CORE |
| Surface gravels Upper Coaledo Fm. "J" Coal Zone "H" Coal Zone "G" Coal Zone "F" Coal Zone | Surface 10' 750' | 10' 1065' 12' | Sand, gravel, clay Sandstone, siltstone | |
| "E" Coal Zone "D" Coal Zone "C" Coal Zone "B" Coal Zone Beaver Hill Coal | 925' 1050' | 5' 5' 5' | | |
| Middle Coaledo Fm. | 1075' | 250' | Sandstone, siltstone | |
| Lower Coaledo Fm. | 1325' | To TD | · | |
| Coal Zone | 1450' | 12' | coal | |
| Coal Zone | 1730' | 6' | coal | |
| Coal Zone | 1830' | 8' | coal | |
| Coal Zone | 2100 | 10' | coal | |
| Coal Zone TD | 2400' (2500') | 10' | coal Sandstone, siltstone | |

UNUSUAL CONDITIONS (LOST CIRC., SHALLOW BLOW-OUTS, WATER FLOWS, H2S, ETC.):

Steep dips, deviation potential unstable hole conditions;

MUD UNIT (DEPTHS & TYPE): One-man logging unit with gas detection

LOGGING PROGRAM: TBD

SPEC. SURVEYS: Continuous core through coal intervals. Desorption sampling in coals. Sample produced

gas and water

<u>REFERENCE WELLS</u>: GCO CB – 21, GCO CB – 22

<u>COMMENTS</u>: Detailed drilling, well history & core record available from GCO CB – 21.

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