

# PLAN OF OPERATION

well 1

SW/NE Sec. 34, T 19, R 3W

Creswell, Oregon

1. No new road to be constructed. In the event of a dry hole the entire area disturbed will be restored as near the original condition as practical. In the event of production the area not needed for operation will be restored.

2. The proposed mud program is follows:

The amount required for Drilling

The Maximum mud (reserve) pit size will be 4' x 8' x 35' with a capacity of 175 barrels. Permission from the Oregon State DEQ will be obtained before any drilling mud wastes are disposed of offsite.

3. Contingency Plan:

A) Field Supervisor - Harold White 503-746-5248

B. B.O.P. - Refer to Diagram A, minimum pressure ratings in any and all B.O.P. or related control equipment will be 3,000 #/in.

Cont.

C. B.O.P. Stack will be pressure tested to 1500 #/in. prior to drilling out of Surface Casing. State will be contacted prior to testing.

4. Trash handling and Sanitary facilities will be in compliance with any state and or County regulations.