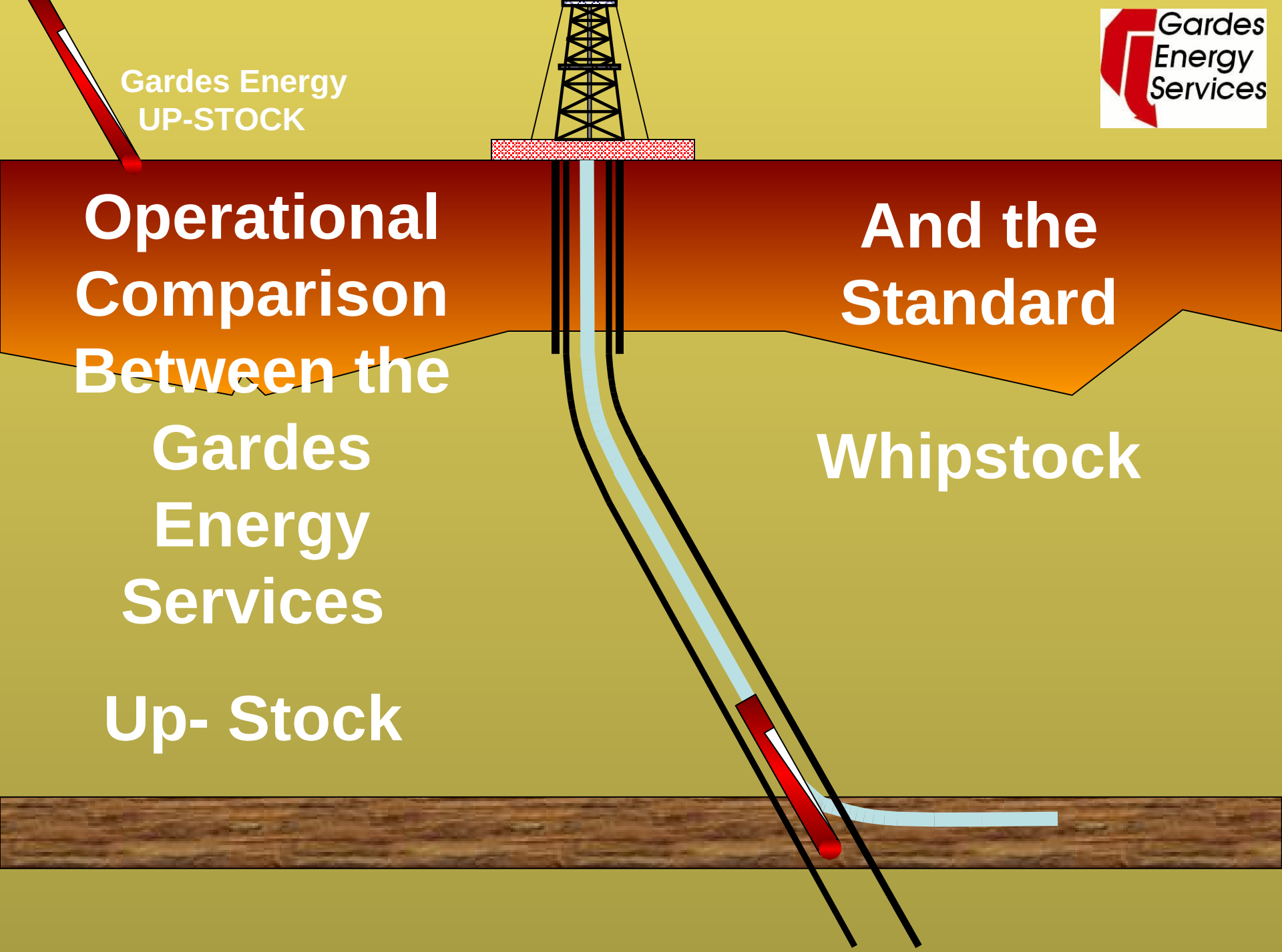
Gardes Energy
UP-STOCK

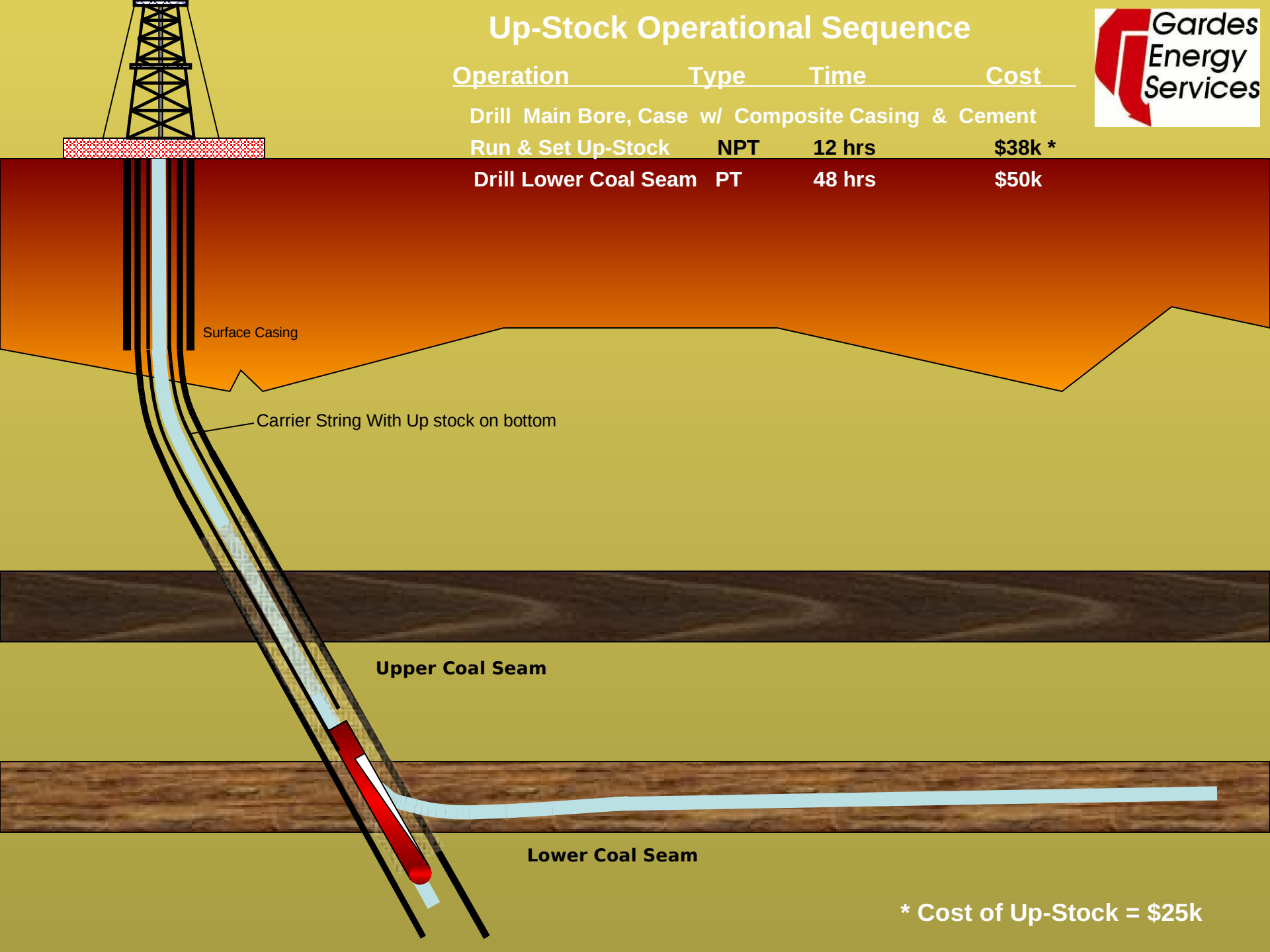
Operational Comparison Between the Gardes Energy Services Up- Stock

And the Standard Whipstock



Up-Stock Operational Sequence

Operation	Type	Time	Cost
Drill Main Bore, Case w/ Composite Casing & Cement			
Run & Set Up-Stock	NPT	12 hrs	$38k *
Drill Lower Coal Seam	PT	48 hrs	$50k

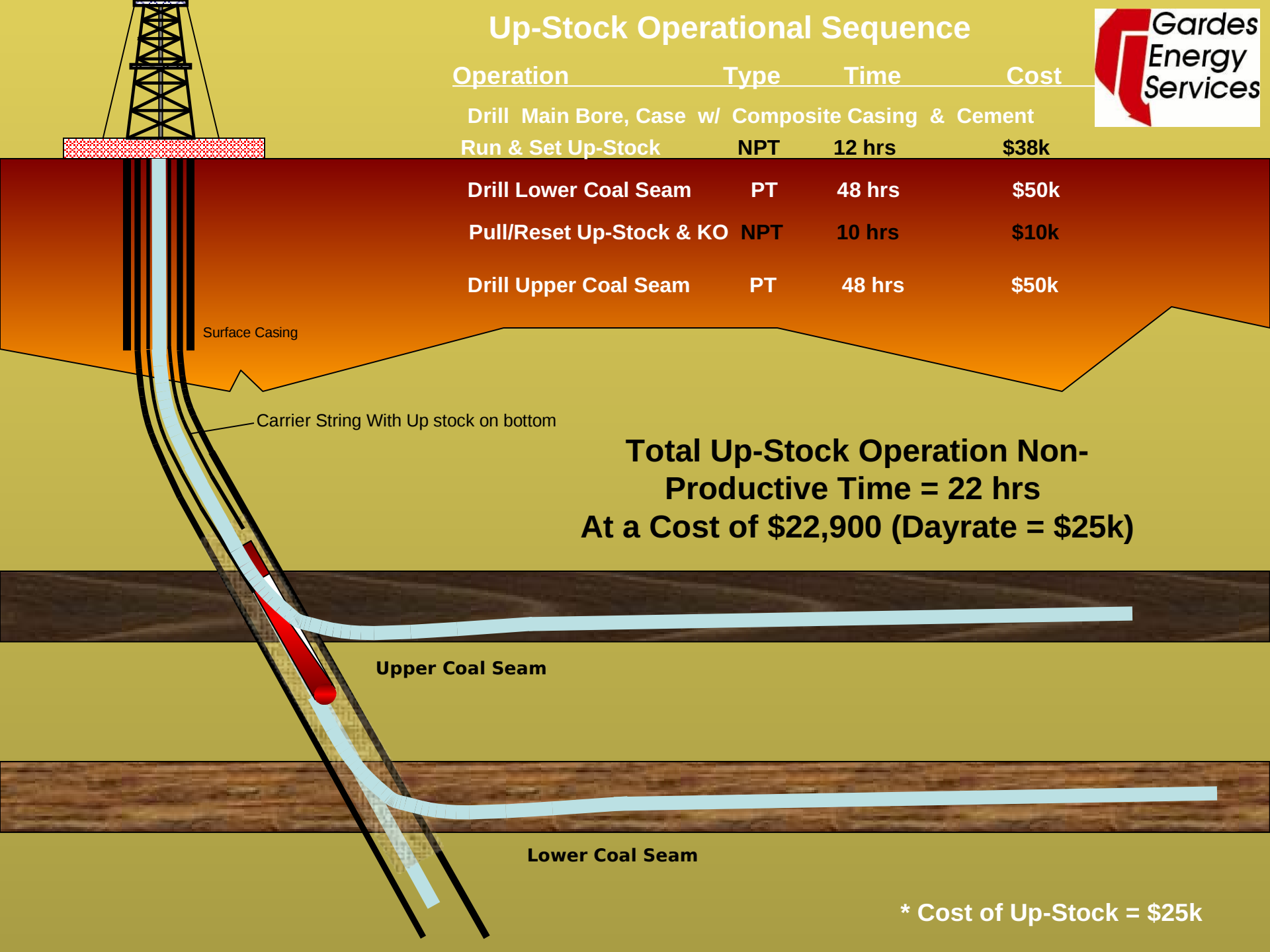


* Cost of Up-Stock = $25k

Up-Stock Operational Sequence

Gardes Energy Services

Operation	Type	Time	Cost
Drill Main Bore, Case w/ Composite Casing & Cement			
Run & Set Up-Stock	NPT	12 hrs	$38k
Drill Lower Coal Seam	PT	48 hrs	$50k
Pull/Reset Up-Stock & KO	NPT	10 hrs	$10k
Drill Upper Coal Seam	PT	48 hrs	$50k



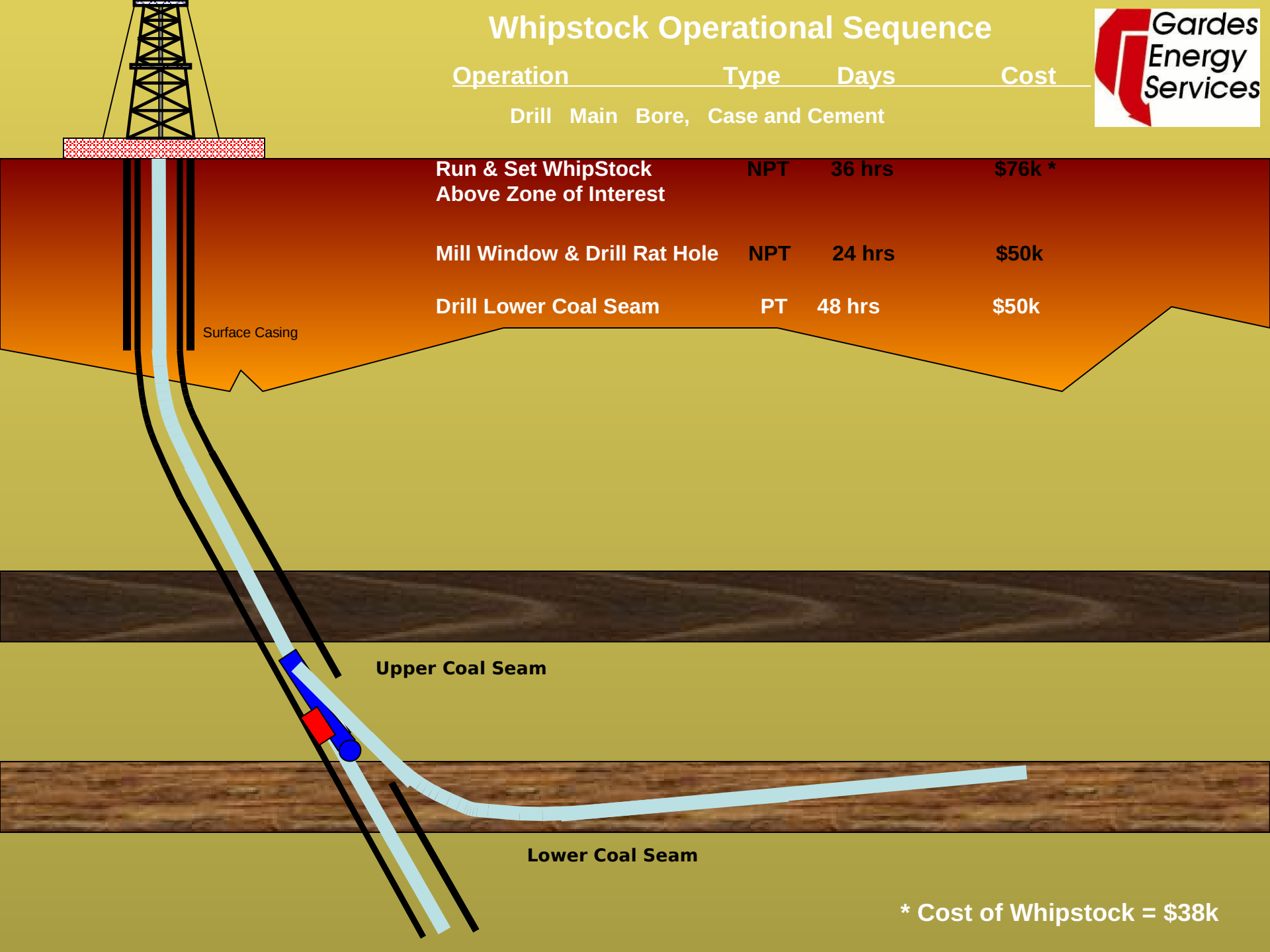
Total Up-Stock Operation Non-Productive Time = 22 hrs
At a Cost of $22,900 (Dayrate = $25k)

*** Cost of Up-Stock = $25k**

Whipstock Operational Sequence

Gardes Energy Services

Operation	Type	Days	Cost
Drill Main Bore, Case and Cement			
Run & Set WhipStock Above Zone of Interest	NPT	36 hrs	$76k *
Mill Window & Drill Rat Hole	NPT	24 hrs	$50k
Drill Lower Coal Seam	PT	48 hrs	$50k

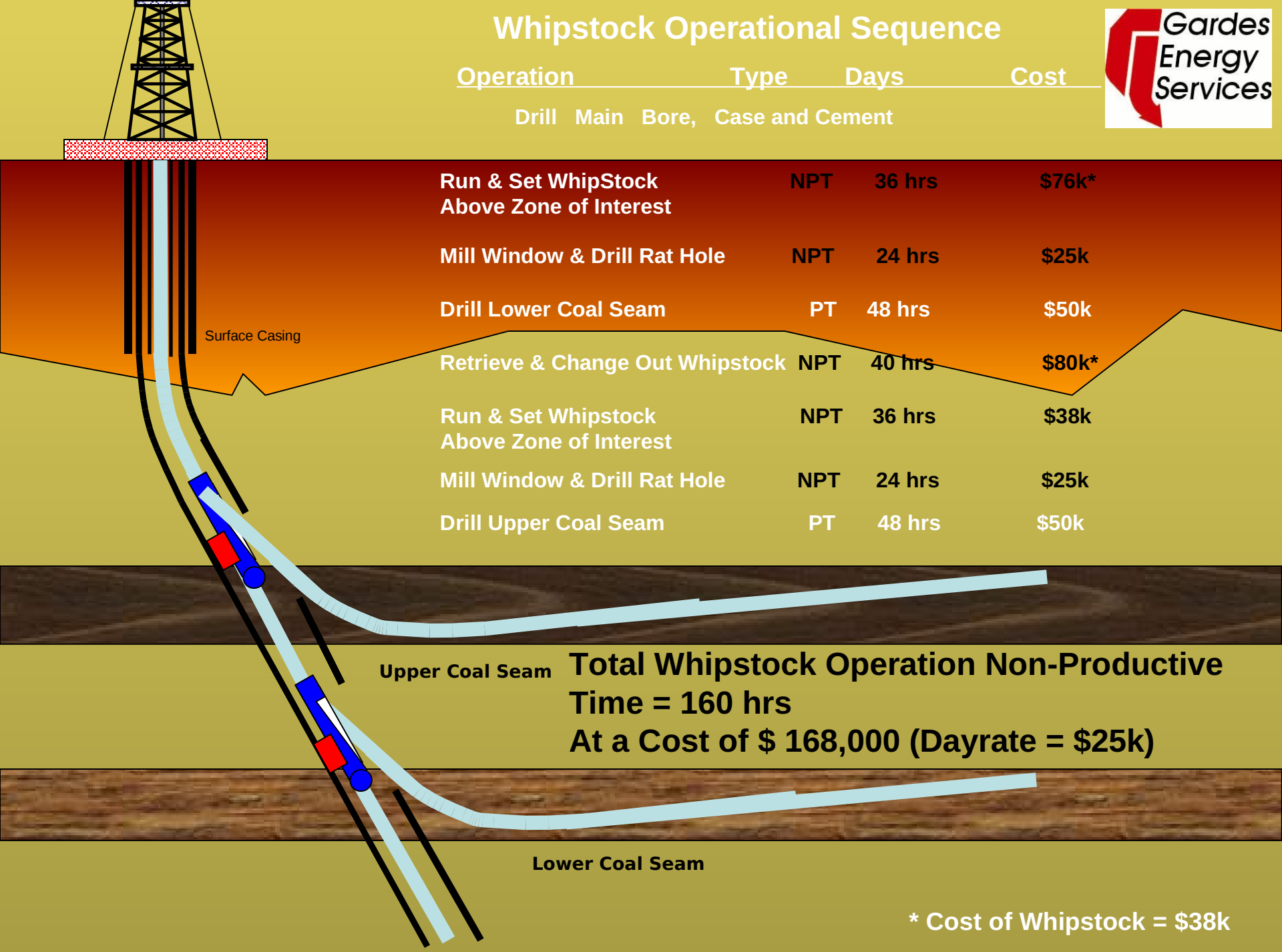


* Cost of Whipstock = $38k

Whipstock Operational Sequence

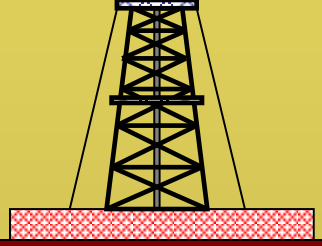
Gardes Energy Services

Operation	Type	Days	Cost
Drill Main Bore, Case and Cement			
Run & Set WhipStock Above Zone of Interest	NPT	36 hrs	$76k*
Mill Window & Drill Rat Hole	NPT	24 hrs	$25k
Drill Lower Coal Seam	PT	48 hrs	$50k
Retrieve & Change Out Whipstock	NPT	40 hrs	$80k*
Run & Set Whipstock Above Zone of Interest	NPT	36 hrs	$38k
Mill Window & Drill Rat Hole	NPT	24 hrs	$25k
Drill Upper Coal Seam	PT	48 hrs	$50k



Total Whipstock Operation Non-Productive Time = 160 hrs
At a Cost of $ 168,000 (Dayrate = $25k)

* Cost of Whipstock = $38k



Gardes Energy UP-STOCK

STANDARD WHIPSTOCK

Gardes Energy Services

Operation	Type	Time	Cost
Drill Main Bore, Case w/ Composite Casing & Cement			
Run & Set Up-Stock	NPT	12 hrs	$38k
Drill Lower Coal Seam	PT	48 hrs	$50k
Pull/Reset Up-Stock & KO	NPT	10 hrs	$10k
Drill Upper Coal Seam	PT	48 hrs	$50k

Operation	Type	Time	Cost
Drill Main Bore, Case and Cement			
Run & Set WhipStock Above Zone of Interest	NPT	36 hrs	$76k*
Mill Window & Drill Rat Hole	NPT	24 hrs	$25k
Drill Lower Coal Seam	PT	48 hrs	$50k
Retrieve & Change Out Whipstock	NPT	40 hrs	$80k*
Run & Set Whipstock Above Zone of Interest	NPT	36 hrs	$38k
Mill Window & Drill Rat Hole	NPT	24 hrs	$25k
Drill Upper Coal Seam	PT	48 hrs	$50k

Total Up-Stock Operation Non-Productive Time = 22 hrs
At a Cost of $22,900 (Dayrate = $25k)

Total Whipstock Operation Non-Productive Time = 160 hrs
At a Cost of $ 168,000 (Dayrate = $25k)

NPT Savings By Using UP-Stock = 138 hours at a Cost of $141,500

Equipment Cost Savings By Using Up-Stock = $69,000

Gardes Energy
UP-STOCK

Gardes Energy Services

TOTAL POTENTIAL SAVINGS BY USING GARDES ENERGY'S UP-STOCK VERSUS THE STANDARD WHIPSTOCK ON A TWO SEAM PROJECT IS:

$210,500

Equipment Cost Savings By Using Up-Stock = $69,000

NPT Savings By Using UP-Stock = 138 hours at a Cost of $141,500

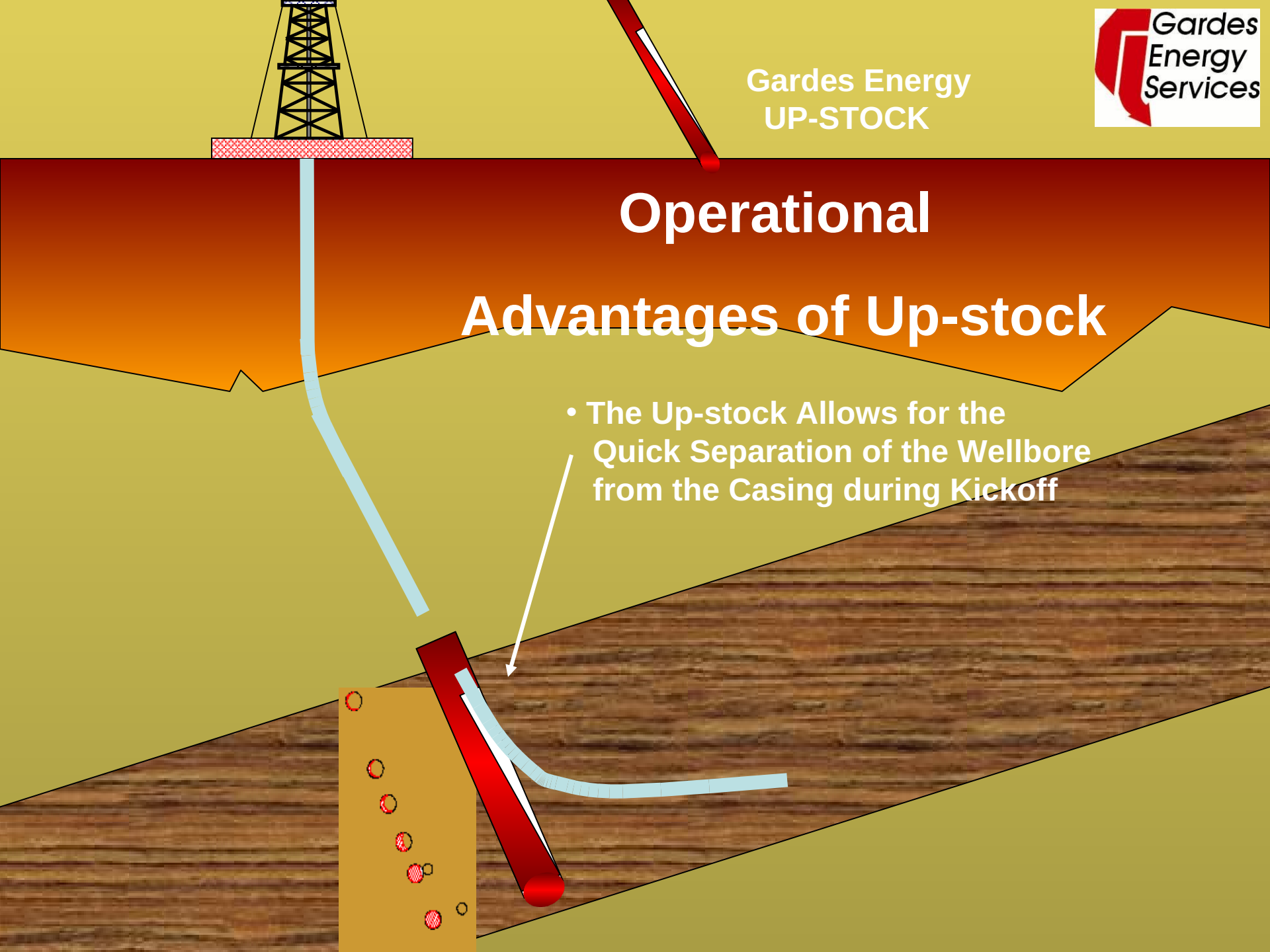
Gardes Energy
UP-STOCK

Gardes Energy Services

Operational

Advantages of Up-stock

- The Up-stock Allows for the Quick Separation of the Wellbore from the Casing during Kickoff

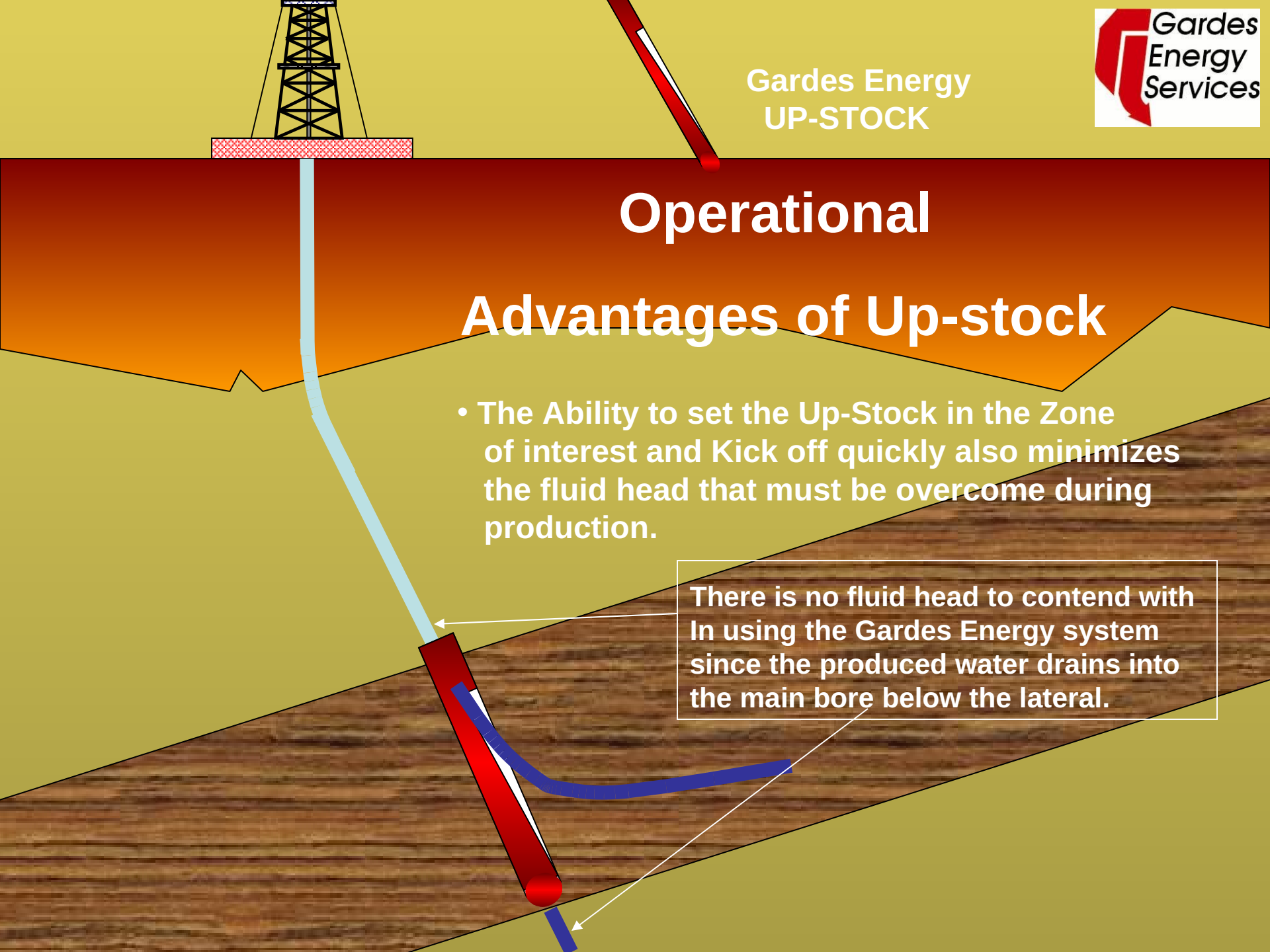


Gardes Energy
UP-STOCK

Operational

Advantages of Up-stock

- The Ability to set the Up-Stock in the Zone of interest and Kick off quickly also minimizes the fluid head that must be overcome during production.



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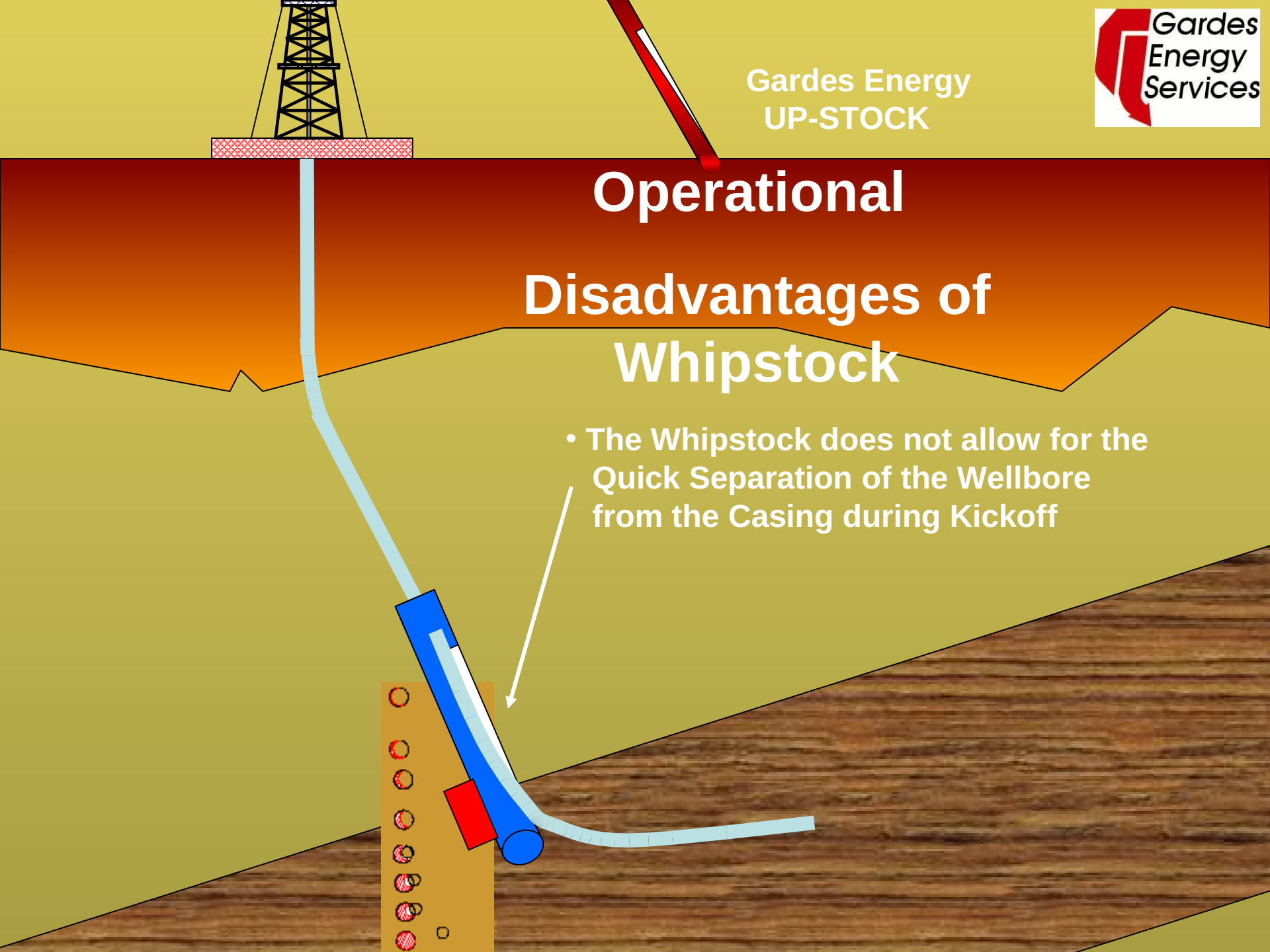
UP-STOCK

Operational Disadvantages of Whipstock

- The Whipstock does not allow for the Quick Separation of the Wellbore from the Casing during Kickoff

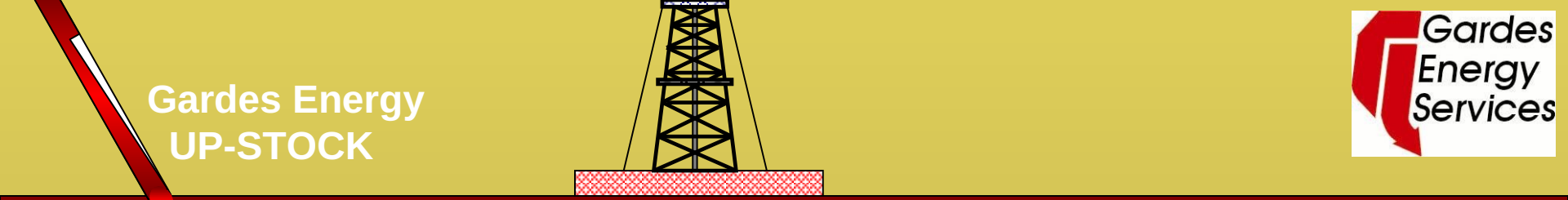


Gardes Energy
UP-STOCK

Operational Disadvantages of Whipstock

- Having to set the Whipstock above the Zone of interest and the slow Kick off Increases the fluid head that must be overcome during production.

130 psi is required to Raise Fluid over a 300 Radius for a Medium Radius Wellbore Caused by the Slow Kick off.



Thank You

For More Information Contact

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or visit our web site at:

www.Gardesenergy.com