

2 OPERATIONS

2.1 Introduction

Stanford will acquire, develop and explore petroleum and natural gas properties. The company has predetermined two acquisitions that it considers significant: the Banfield, Alberta property and the Norris, Alberta property.

2.2 Banfield, Alberta

Prospect:

Keifer Capital Corporation has an excellent development prospect in the Banfield area of Alberta. The prospect is an extension of oil discovered in the offsetting section of land in the lower Cretaceous Cummings and Ellerslie zones. Seismic indicates that structurally the pool is some 4 to 5 meters higher on Raptor land which should result in the Cummings being on the crest of the structure and the Ellerslie having upwards of 12 meters of pay versus of 5 meters in the offset wells. A successful well at 3-11-40-4 W4M would result in numerous development wells and possibly a horizontal drilling program to maximize productivity. Cummings wells are projected to produce 50,000 barrels per well and Ellerslie wells are projected to produce in excess of 100,000 barrels per well. Significant Cummings and Ellerslie production exist in the immediate area.

Financial Interest:

A. Stanford has signed a Participation Agreement with Raptor whereby Stanford will participate in the drilling of an 825 meter well to test the Ellerslie formation on Raptor's 320 acre land parcel at Banfield. Stanford will earn a 50% working interest during payout (25% after payout) subject to a 15% royalty to Raptor convertible by Raptor to a 25% working interest after payout.

Estimated Cost

\$250,000

A. Successful development of this prospect will require a battery to be constructed to process oil and a water disposal well for the disposal of formation water, the cost of which can only be determined upon drilling.

B. Additional Lands: Raptor has entered into an option agreement (the Option) to acquire an additional 480 acres of land adjoining the Banfield prospect (see 2.3 map of Banfield Property) Stanford will acquire a 25% interest in the Option from Raptor.



2.3 Borris, Alberta

Prospect:

Raptor Capital Corporation is currently developing a Lower Cretaceous Eckerslie oil pool in the Borris area. Four vertical wells and two horizontal wells have been drilled and