

**YATES PETROLEUM CORPORATION**  
**Polo "AOP" Federal #2**  
**1980' FSL and 1980' FEL**  
**Sec. 10-T19S-R25E**  
**Eddy County, New Mexico**

1. The estimated tops of geologic markers are as follows:

Grayburg	335'
San Andres	838'
Glorietta	2380'
B Lineberry	2498'
Bone Springs	5385'
Wolfcamp	5780'
Canyon	7588'
Atoka	8842'
Morrow	9010'
TD	9292'

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: None - Re-entry  
Oil or Gas: 9085'

3. Pressure Control Equipment: BOPE will be installed on the 13 3/8" casing and rated for 3000 BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout Preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

4. THE PROPOSED CASING AND CEMENTING PROGRAM:

A. Casing Program: (All New)

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft</u>	<u>Grade</u>	<u>Thread</u>	<u>Coupling</u>	<u>Interval</u>	<u>Length</u>
28"	20"	52.73#	J55	8R	ST&C	0-30'	301'- In Place
17 1/2"	13 3/8"	48#	J55	8R	ST&C	0-450'	450'- In Place
12 1/4"	8 5/8"	24#	J55	8R	ST&C	0-1225'	1228'- In Place
7 7/8"	4 1/2"	10.5# & 11.6#	J55	8R	LT&C	6700'-9292'	2592'-In Place
7 7/8"	5 1/2"	17#	J55	8R	LT&C	0-6700'	6700'

Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Joint Strength 1.8