

Drilling Plan
YATES PETROLEUM CORPORATION
Federal AB Com #11
1980' FNL and 1650' FWL
Section 30-T18S-R25E
Eddy County, New Mexico

Anticipated Drilling Time 20 days.

Hole Size: 12 1/4" Depth To: 1150' Casing Size: 8 5/8" Setting Depth: 1150'

Casing Description: 8 5/8", 24#, 8R, J-55, ST&C.

Cement Slurry: 375 sx. "Class C Lite" with 1/4# sack Cellocel, 5# sack Gilsonite and 3% CaCl₂. Wt 12.7 yield 1.84 Ft³ + 200 sx. "Class C" + 2% CaCl₂. Wt. 14.8 yield 1.32 ft³.

Calculate to circulate to surface.

All casing in New Minimum Design Factors: Collapse 1.125, Burst 1.0, Tensile Str. 1.80.

Hole size: 7 7/8" Depth To: 9100' Casing Size 5 1/2" Setting Depth: 9100'

Casing Description: 0 - 600', 5 1/2", 17#, N-80, 8R, LT&C, 600' - 1600', 5 1/2", 17#, J55, 8R, LT&C, 1600' - 6750', 5 1/2", 15.50#, J-55, 8R, LT&C, 6750' -8600', 5 1/2", 17#, J55, 8R, LT&C.

All casing is New Minimum Design Factors: Tensile Strength 1.8, collapse 1.125, Burst 1.0

Cement Slurry: 650 sx. Premium Plus "H" w/5# Silica Litem 1/4# flocele, .6% Halad14
Weight 15.1 ppg Yield 1.34ft³. 871 ft³ calculated to fill 4,100 linear feet. Estimated cement top at 5,000'.

All casing is New Minimum Design Factors: Collapse 1.125, Burst 1.0, Tensile 1.80.

Anticipated Drilling Mud Program:

From -0- to 1150' Minimum Properties: Mud Weight 8.6. Viscosity 34 sec./1000cc. Water loss: N/C cc. Mud will be checked tourly by rig personnel. Sufficient quantities of mud will be kept on location to maintain minimum properties.

From 1150' to 5000' Fresh Water. Mud weight 8.4. Viscosity 28 sec./1000 cc mud. Water loss - No control. Mud to be checked tourly by rig personnel. Sufficient quantities of mud on hand to maintain mud properties listed.

From 5000' to 8000' Cut Brine, Mud weight 9.1 - 9.6 ppg. Viscosity 28 sec./1000cc. WL - No control. Mud to be checked tourly by rig personnel. Sufficient quantities of mud on hand to maintain minimum properties listed.

From 8000' to 9100' Cut Brine, SW Gel, Starch. Mud weight: 9.2-9.6, Viscosity 34-38 sec./1000cc. Water Loss: 10-12 cc.
Mud to be checked tourly by rig personnel. Sufficient quantities of mud on hand to maintain minimum properties listed.