## YATES PETROLEUM CORPORATION

Thumbs Up "AZT" State Com #1 Re-entry 660' FSL & 660' FWL Section 36-T9S-R34E Lea County, New Mexico Lease VO-6102

Drilling Plans: Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by Monsanto Chemical Company and Cabot Corporation as their Signal State #1 which was plugged in 1963. Yates will use a drilling rig to drill out the cement plugs in the 8 5/8" casing which was set at 4480' and cemented with 1460 sacks. The plugs in the 7 7/8" open hole will be drilled out to the original TD of 9,990'. Then the well bore will be drilled deeper to a new TD of 12,400'. After reaching the new TD, a new suite of open hole logs will be ran. Yates will run 5  $\frac{1}{2}$ " production casing to TD and will be cemented with approximately 850 sacks of cement to bring the cement top up to 7000'+/-. The mud program to be used will be 9.4 – 9.8 ppg brine water with a 55-70 viscosity. A 5000# BOPE will be installed on the 8 5/8" casing.

The well will be completed using a pulling unit. The Morrow formation will be the main target for completion.

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