

YATES PETROLEUM CORPORATION

Allied AUS State Com. #1

Drilling Prognosis

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This well was originally drilled by Penzoil Company as the Allied State #1 in October 31, 1973 and was plugged and abandoned in November 29, 1973.

Yates Petroleum Corporation proposes to re-enter this well using a pulling unit and reverse unit to drill out the cement plugs in the 8 5/8" casing and the 7 7/8" open hole to 5,725'. Mud to be used is 9.5 - 9.7 ppg brine water, Vis 55 - 70. After circulating the hole clean a string of 4 1/2" casing will be run to TD and cemented with approximately 800 sacks cement. The well will be completed with a pulling unit. The formation to be completed will probably be the Wolfcamp Formation from 5397' to 5403'.

MUD PROGRAM: Mud to be used is 9.5-9.7 ppg brine water, Vis 55-70.

BOPE PROGRAM: 3000 # BOPE will be installed on the 8 5/8 in casing and tested daily for operational.