

YATES PETROLEUM CORPORATION
Bandana Federal Unit #1
2310' FNL and 660' FEL
Section 20-T22S-R24E
Eddy County, New Mexico
DRILLING PROGNOSIS

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

San Andres	1,133'
Glorieta	2,610'
Bone Springs	3,522'
Wolfcamp	7,490'
Canyon	8,301'
Lower Strawn	9,066'
Atoka	9,494'
Morrow Clastics	10,400'
Lower Morrow	10,346'
TD	10,400'

2. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS, OR MINERAL FORMATIONS:

Water: Approximately 150'
Gas: Canyon, Strawn, Atoka, and Morrow

3. PRESSURE CONTROL EQUIPMENT - (Schematic Attached)

A. The Blow-Out Preventor will be equipped as follows:

1. One (1) blind ram (above)
2. One (1) pipe ram (below)
3. Kill line (3-inch minimum)
4. One (1) kill line valve (3-inch minimum)
5. One (1) choke line valve
6. Two (2) adjustable chokes.
7. Upper kelly cock valve with handle available
8. Safety valves & subs to fill all drill strings in use
9. 3-inch (minimum) choke line
10. Fill-up line above the upper most preventor

B. Pressure Rating: 3,000 PSI

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>
17 1/2"	13 3/8"	54.5#	J-55	8RD	ST&C	0 - 350'	350'
12 1/4"	9 5/8"	36#	J-55	8RD	ST&C	0 - 2650'	2650'
8 3/4"	5 1/2"	17#	J-55, N80	8RD	ST&C	0 - TD	10,400'

1. Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Tensile Strength 1.8

2. ~~9 5/8"~~ casing to be set if lost circulation is encountered. *in Canyon*
7"

(SS)