

YATES PETROLEUM CORPORATION

Adeline "ALN" Federal #17

660' FSL and 660' FWL

Section 5-T24S-R31E

Eddy County, New Mexico

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

Rustler	509'
Top of Salt	895'
Bottom of Salt	3,964'
Bell Canyon	4,182'
Cherry Canyon	5,161'
Brushy Canyon	6,840'
Bone Spring	8,042'
TD	8,200'

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

Water:	150'
Oil or Gas:	Cherry Canyon 5161' and Bone Springs 8042'

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 (2-inch minimum)
4. One (1) kill line valve (2-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. 2-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	0-550'	550'
11"	8 5/8"	32#	J-55	8RD	ST&C	0-4200'	4200'
7 7/8"	5 1/2"	17#	J-55	8RD	LT&C	0-550'	550'
7 7/8"	5 1/2"	15.50#	J-55	8RD	LT&C	550'-7550'	7000'
7 7/8"	5 1/2"	17#	J-55	8RD	LT&C	7550'-8200'	650'

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