

# YATES PETROLEUM CORPORATION

Feline "ALF" Federal #4  
~~1880'~~ ~~1080'~~ FNL and ~~1980'~~ FWL <sup>2130'</sup>  
 Section 34-T21S-R30E  
 Eddy County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

- The geological surface formation is Sandy Alluvium:
- The estimated tops of geologic markers are as follows:

Rustler	102'
Top of Salt	457'
Base of Salt	3,272'
Bell Canyon	3,528'
Cherry Canyon	4,497'
Brushy Canyon	6,391'
Bone Springs	7,367'
TD	7,500'

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

Water:	150'
Oil or Gas:	4497' and 6391'

- Proposed Casing Program:

	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight (lb/ft)</u>	<u>Grade</u>	<u>Type</u>	<u>Setting Depth</u>
NEW	17 1/2"	13 3/8"	54.5#	J-55	ST&C	250'
	11"	8 5/8"	32.0#	J-55	LT&C	3550'
	7 7/8"	5 1/2"	15.5# & 17#	J-55	LT&C	TD

Surface pipe (0' - 250') will be cemented with 300 sacks C + 2% CaCl + 1/4 lb/sk Celloseal. Yield 1.33 cu.ft./sk. Weight will be 14.8 lb/gal. Quantity sufficient to circulate to surface.

Intermediate pipe (0' - 3550') will be cemented with 1200 sacks C-Lite + 10 lbs/sk salt + 1/4 lb/sk Celloseal. Yield 1.94 cu.ft./sk. Weight will be 12.9 lb/gal. Tailed in with 200 sacks C + 1% CaCl. Yield 1.32 cu.ft./sk. Weight will be 13.8 lb/gal. Quantity will be sufficient to circulate to surface.

Production pipe (0' - 7500') will be cemented with 200 sacks (or sufficient to tie back cover zones of interest) Class H + 5 lb. CSE + .7% CF-14 + 10 lb/sk Gilsonite. Yield 1.45 cu.ft./sk. Weight will be 14.4 lb/gal.

- Pressure Control Equipment: See Form 3160-3 and Exhibit B.
- Mud Program: See Form 3160-3.
- Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connections.