

# YATES PETROLEUM CORPORATION

## Beginner BLB Federal Com #2H

1650' FNL and 250' FWL, Section 19-16S-28E (Surface Hole Location)

2280' FNL and 330' FEL, Section 19-16S-28E (Bottom Hole Location).

Eddy County, New Mexico



30-015-36684

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

Yates	169'	Glorieta	3123'
Seven Rivers	339'	Tubb	4407'
Queen Oil	865'	ABO	5127' Gas
Grayburg Oil	1039'	Wolfcamp Pay	6437' Oil
San Andres Oil	1645'	TVD	6587'
		TMD	11005'

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

Water: 110'

Oil : Queen , Grayburg, San Andres, & Wolfcamp

Gas: Abo

Pilot hole will be drilled to 6587'. Well will be plugged back and kicked off at approximately 5941' and directionally drilled at 12 degrees per 100' with a 7 7/8" hole to a MD of approximately 6688' and then laterally to 11005' MD (6445' TVD) where 5 1/2" casing will be set and cemented. Penetration point of the producing zone will be encountered at 1124' FNL & 723' FEL.

3. **Pressure Control Equipment:** BOPE will be installed on the 13 3/8" See COA casing and rated for 3000 psi BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout Preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

Auxiliary Equipment:

- A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

### 4. THE PROPOSED CASING AND CEMENTING PROGRAM:

- A. Casing Program: (All New)

Hole Size	Casing Size	Wt./Ft	Grade	Thread	Interval	Length
17 1/2"	13 3/8"	48#	H-40	ST&C	0-400'	400'
<del>11"</del>	<del>8 5/8"</del>	<del>24#</del>	<del>J-55</del>	<del>ST&amp;C</del>	<del>0-1750'</del>	<del>1750'</del>
7 7/8"	5 1/2"	17#	HCP-110	LT&C	11005' MD	11005'

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