

**Application
Harvey E. Yates Company
Turner 7 Fed Deep #1
Section 7, T20S, R20E
Eddy County, New Mexico**

In conjunction with Form 3160-3, Application For Permit To Drill Or Deepen subject well, Harvey E. Yates Company submits the following ten items of pertinent information in accordance with Onshore Oil & Gas Order No. 10.

1. **Geologic Name of Surface Formation:**
Quaternary alluvium and bolson deposits
2. **Estimated Tops of Significant Geologic Markers:**
Yates Surface, Bowers 560', Queen 650', Penrose 900', Grayburg 1,090', Premier 1,480', San Andres 1,510', Bone Spring 2,600', BSPG 1st sand 5,350', BSPG "B" zone 5,775', BSPG 2nd sand 6,200', BSPG "C" zone 6,500', BSPG 3rd sand 7,325', Wolfcamp 7,725', Cisco/Canyon 8,450', L Strawn 9,080', Atoka 9,625', Morrow Clastics 10,060', Barnett 10,325', PTD 10,450'.
3. **Estimated Depths at which Water, Oil, or Gas Formations are expected:**
Oil: Bone Spring 5,350'
Gas: Bone Spring 5,350'
4. **Proposed Casing Program:**
See Form 3160-3
5. **Pressure Control Equipment:**
BOP & Annular. See Exhibit C.
6. **Drilling Fluid Program:**
See Form 3160-3
7. **Auxiliary Equipment:**
H2S Compliance package
8. **Testing, Logging, & Coring Program:**
The planned logs are Schlumberger Platform Express w/HALS.
One DST is possible in the Wolfcamp or Cisco/Canyon
9. **Abnormal Conditions, Pressures, Temperature, or Potential Hazards:**
No abnormal conditions are anticipated in this well bore.
BHST: 160 deg F
BHP: 2,000 psi
10. **Anticipated Starting Date & Duration of Operation:**
Spud Date: Approximately May 26, 2000. Duration of this project will be approximately 50 days from start of Construction of drilling pad until finish of completion operations