

Application

HARVEY E. YATES COMPANY
Chevron 12 Federal #2
Section 12, T-18S, R-32E
Lea County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill the Subject well in Section 12, Township 18 South, Range 32 East, Lea County, New Mexico, Harvey E. Yates Company submits the following ten items of pertinent information in accordance with Bureau of Land Management requirements:

1. The geologic surface formation is quaternary alluvium and bolson deposits and other surficial deposits.
2. The estimated tops of geologic markers are as follows:

Rustler	1310'	Penrose	4614'
Yates	2808'	San Andres	4990'
7 Rivers	3254'	Delaware Sand	5810'
Bowers	3740'	Bone Spring	6490'
Queen	4017'	WolfCamp	9700'
Penrose	4300'	TD	10,000'

3. We do not anticipate finding water but have listed the formation in which we anticipate finding oil or gas.

Bone Springs 6490'

4. Proposed casing program: See Form 3160-3
5. Pressure control equipment: See Exhibit C.
6. Mud program: See Form 3160-3.
7. Auxiliary equipment: Blowout preventer
8. Testing, logging and coring programs:
We do not plan to core or DST. The planned logs are DLL/Micro w/GR & Caliper, CN-Den w/GR & Caliper.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible.

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AUG 24 1987
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