

YATES PETROLEUM CORPORATION  
Rolling Hills "YQ" Federal #1  
1450' FNL and 660' FWL  
Sec. 26-T10S-R25E

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

1. The geologic surface formation is sandy alluvium.

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

San Andres	700'
Glorieta	1810'
Fullerton	3250'
Abo	4044'
TD	4600'

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

Water: 250-300'

Oil or Gas: Abo 3900'

4. Proposed Casing Program: See Form 9-331C.

5. Pressure Control Equipment: See Form 9-331C.

6. Mud Program: See Form 9-331C.

7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.

8. Testing, Logging and Coring Program:

Samples: Surface casing to TD.

DST's: As warranted.

Coring: None anticipated.

Logging: CNL-FDC TD to csg w/GR-CNL to surface, DLL from TD to csg.

9. No abnormal pressures or temperatures are anticipated.

10. Anticipated starting date: As soon as possible after approval.