

Yates Petroleum Corporation
Divide Federal JW Com #1
1980' FSL and 1980' FWL
Section 4 - T17S-R24E
Eddy County, New Mexico

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 USGS requirements:

1. The geologic surface formation is Grayburg.
2. The estimate tops of geologic markers are as follows:

San Andres	315'	Cisco	5700'
Glorieta	1624'	Lower Canyon	6313'
Tuff	2971'	Strawn	6686'
Abo	3623'	Atoka	6835'
Wolfcamp	4617'	Chester	6926'
		T.D.	7000'

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

Water: Approximately 400'

Oil or Gas: 4620' Gas
6000' Gas
6850' Gas

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit B.
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:

DST's: Possible Upper Canyon, Strawn, Atoka
Logging: 4300 - T.D.
Coring: CNL-FDC and DLL logs from T.D. to Casing