



APPLICATION FOR DRILLING

HARVEY E. YATES COMPANY
Anderson "24" Federal #1
Sec. 24, T-16S, R-27E
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill the Subject Well in Section 24, Township 16 South, Range 27 East, Eddy 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:

Yates	200	Wolfcamp	6380
7 Rivers	430	Cisco	7450
Bowers	740	Canyon	7980
Queen	940	L. Strawn	8560
Penrose	1100	Atoka	8810
Grayburg	1360	Atoka Li	8930
San Andres	1750	Morrow	9075
Glorieta	3100	Barnett	9170
Tubb	4390	Chester	9350
Abo	5110	TD	9500

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

Morrow 9075' and Barnett 9170'.

4. Proposed casing program: See Form 9-331C
5. Pressure control equipment: See Exhibit C.
6. Mud program: See Form 9-331C.
7. Auxiliary equipment: Blowout preventer.
8. Testing logging and coring program: We are planning three DST's: 1 in the Atoka; 1 in the Morrow; and 1 in the Barnett. We do not plan to do any coring both the planned logs are DN w/Caliper & GR, and DIL.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: September 25, 1984.