

## APPLICATION

HARVEY E. YATES COMPANY  
CAN-KEN 4 FEDERAL #1  
Sec. 4, T-18S, R-31E  
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill the Subject Well in Section 4, Township 18 South, Range 31 East, Eddy County, New Mexico, Harvey E. Yates Company submits the following ten items of pertinent information in accordance with Bureau of Land Managements 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	720	1st B. Sp. Sd.	7200
Cowden Anhy	1720	B/1st B. Sp. Sd.	7300
B. Salt	2010	2nd B. Sp. Sd.	7750
Yates	2080	B/2nd B. Sp. Sd.	8450
Yates "A"		3rd B. Sp. Sd.	8700
7 Rivers	2470	Wolfcamp	9095
Bowers	2920	Penn	10050
Queen	3130	Strawn	10850
Penrose	3330	Atoka	11100
Grayburg	3560	PTD	11300
San Andres	4100	Morrow Li	11375
Delaware Sand	4330	Morrow Clastics	11575
Limestone Marker	5300	PTD	12100

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

Bone Springs 7200'; Strawn 10,850'.

4. Proposed casing program: See Form 9-311C.
5. Pressure control equipment: See Exhibit C.
6. Mud Program: See Form 9-311C.
7. Auxiliary equipment: Blowout preventer.
8. Testing, logging and coring programs: 4 DST'S; 2-Bonesprings, 1-Wolfcamp & 1-Strawn. Planned logs are CND w/GR & Caliper, DIFL w/SP and Caliper. We are not planning to do any coring.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting Date: As soon as possible with a deadline date of April 20, 1984.