

YATES PETROLEUM CORPORATION
Northwestern Shores "AAL" Federal #1
1980' FSL and 1980' FEL
Section 36-T18S-R26E
Eddy County, New Mexico

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

1. The geologic surface formation is quarternary alluvium.

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

Gravels	500'	Strawn	8437'
Sanders	1240'	Atoka	8947'
Glorieta SS	2880'	Morrow	9284'
Bone Springs LS	3530'	A Zone of Morrow	9298'
Goodrich Zone of Abo	5725'	B Zone of Morrow	9408'
3rd Bone Springs SS	6125'	Chester Shale	9530'
Wolfcamp	6335'	Chester LS	9615'
Cisco	7530'	TD	appr. 9700'
Canyon LS	7835'		

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

Water: 2880'-3530', 5725'-6125'

Oil or Gas: 5725'-5900', 6335'-7530', 8947'-9147', 9298'-9518'

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: 10' out from under surface casing to TD.
DST's: Test upper Penn Dolomite Porosity.
Coring: None
Mud Logging: One man unit out from under surface casing.
Logging: CNL-FDC LTD TD to csg w/GR-CNL to surface & DLL from TD to csg, w/RxO TD to 7000' HDT.

9. No abnormal pressures or temperatures are anticipated.

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