

## APPLICATION

HARVEY E. YATES COMPANY  
Hondo 4 Federal #2  
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 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:

Rustler	640'	Cowden Anhy	1640'
Yates	2020'	Yates "A"	2080'
7 Rivers	2400'	Bowers	2847'
Queen	3120'	Penrose	3320'
Grayburg	3600'	San Andres	3930'
Bone Springs	5480'	TD	8900'
3. We do not anticipate finding water but have listed the formation in which we anticipate finding oil or gas.  
Bone Springs 5480'.
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 programs: Two possible DST's; both in the Bone Springs. We are not planning to do any coring. Planned logs are DLL-Micro w/GR & Caliper, CN-Den w/GR & Caliper.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible.