

YATES PETROLEUM CORPORATION
Laney "AGJ" Federal Com. #1
1980' FNL & 1980' FWL
Section 11-T18S-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 BLM requirements.

1. The geological surface formation is alluvium.
2. The estimated tops of geologic markers are as follows:

San Andres	558	Lower Canyon	7117
Glorieta	1943	Strawn	7466
ABO	3897	Atoka	7846
Upper Wolfcamp	5007	Morrow Clastics	8098
Cisco	6188	Chester Lime	8248
Upper Canyon	6568	TD	8500
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 100'-150' Artesia water approximately 630'-950'

Oil or Gas: 6188, 7846, 8248
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:

DST's: As warranted

Logging: CNL/FDC from TD to casing with GR-CNL on to surface; DLL with RXO to casing. Low-speed sonic TD to Casing.

Samples: Surface casing to TD

Coring: None
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.