

Yates Petroleum Corporation  
Allison "CQ" Federal #2  
1980' FSL and 1660' FWL  
Section 12 - T19S - 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 USGS requirements:

1. The geologic surface formation is quaternary alluvium.

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

San Andres	458'	Strawn	8140'
Glorieta	1832'	Atoka	8517'
Abo	3943'	Morrow Clastics	8801'
Wolfcamp	5286'	Chester	9021'
Lower Canyon	7501'	T.D.	9300'

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

Water: Approximately 400'

Oil or Gas: Yeso - San Andres 450'  
Strawn 8150'  
Atoka 8520'  
Morrow 8800'

4. Proposed Casing Program: See Form 9-331C.

5. Pressure Control Equipment: See Form 9-331C and Exhibit B.

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: Surface casing to T.D.  
DST's: As Warranted  
Logging: Intermediate casing to T.D.  
Coring: CNL-FDC T.D. to casing with GR-CNL on to surface and  
DLL from T.D. to casing with selected min. R.O.  
x

9. No abnormal pressures or temperatures are anticipated.

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