

Yates Petroleum Corporation
Eastern Shore "QW" Federal #1
20th FSL & 20th FEL
Section 8 - T19S - R27E
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 geological surface formation is quaternary alluvium.
2. The estimate tops of geologic markers are as follows:

San Andres	1610'	Penn Dolomite Reservoir	7830'
Bone Springs	2658'	Atoka	9258'
3rd Bone Springs	7022'	Morrow Clastics	9630'
Wolfcamp	7395'	Chester	10,075'
Strawn	8539'	T. D.	10,150'

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

Gas: 7050'	Water: Approximately 120' - 200', 1200 - 1800'
9300'	
9650'	

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:	10 ft. samples cut from under surface casing to TD
DST's:	As Warranted; Penn Dolomite
Mud Logging:	One man unit cut from under intermediate casing
Logging:	CNL-FDC T.D. to casing with GR-CNL on to surface and DLI from T.D. to casing with min. R_{Q} T.D. to 7000'

9. No abnormal pressures to temperatures are indicated.
10. Anticipated starting date: As soon as possible after approval.