

YATES PETROLEUM CORPORATION  
Eastern Shore "TL" Federal #.  
660' FNL and 1980' FWL  
Section 18-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 geologic surface formation is quaternary alluvium.
2. The estimated tops of geologic markers are as follows:

Queen	810'	Atoka	9165'
San Andres	1565'	Morrow Clastics	9565'
Bone Springs Lime	2515'	Chester	9945'
3rd Bone Sprs. Sand	6910'	TD	10200'
Wolfcamp	7225'		
Upper Penn Dolomite	7825'		
Strawn	8515'		

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

Water: Approximately 120' - 200', 1200' - 1800'

Oil or Gas: 7275', 9185', 9575'

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 out from under surface casing to TD.

DST's: As warranted.

Mud Logging: One man unit out from under intermediate casing

Logging: CNL-FDC TD to casing w/GR-CNL onto surface & DDL logs from TD to casing w/Min. RxO TD to 6500'.

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