

YATES PETROLEUM CORPORATION
Ross EG Federal #3
660' FNL and 660' FWL of
Section 20-T19S-R25E
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	696'	Upper Penn	7636'
Glorieta	2164'	Lower Penn	7760'
Bone Springs	3391'	Base Dolomite	7981'
Abo	4868'	TD	8150'
Wolfcamp	5477'		
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 275'
Oil or Gas: Wolfcamp 5486'; UPPER PENN 7636'
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/LDT from TD to casing with GR-CNL on to surface; DLL from TD to casing Rxo from TD to 6100'.
Samples: 10' sample out from under surface casing to TD
Coring: None
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.