

YATES PETROLEUM CORPORATION
CONOCO "AGK" FED. COM. #1
660' FNL & 2980' FWL of
Section 11-T20S-R24E
Eddy County, New Mexico

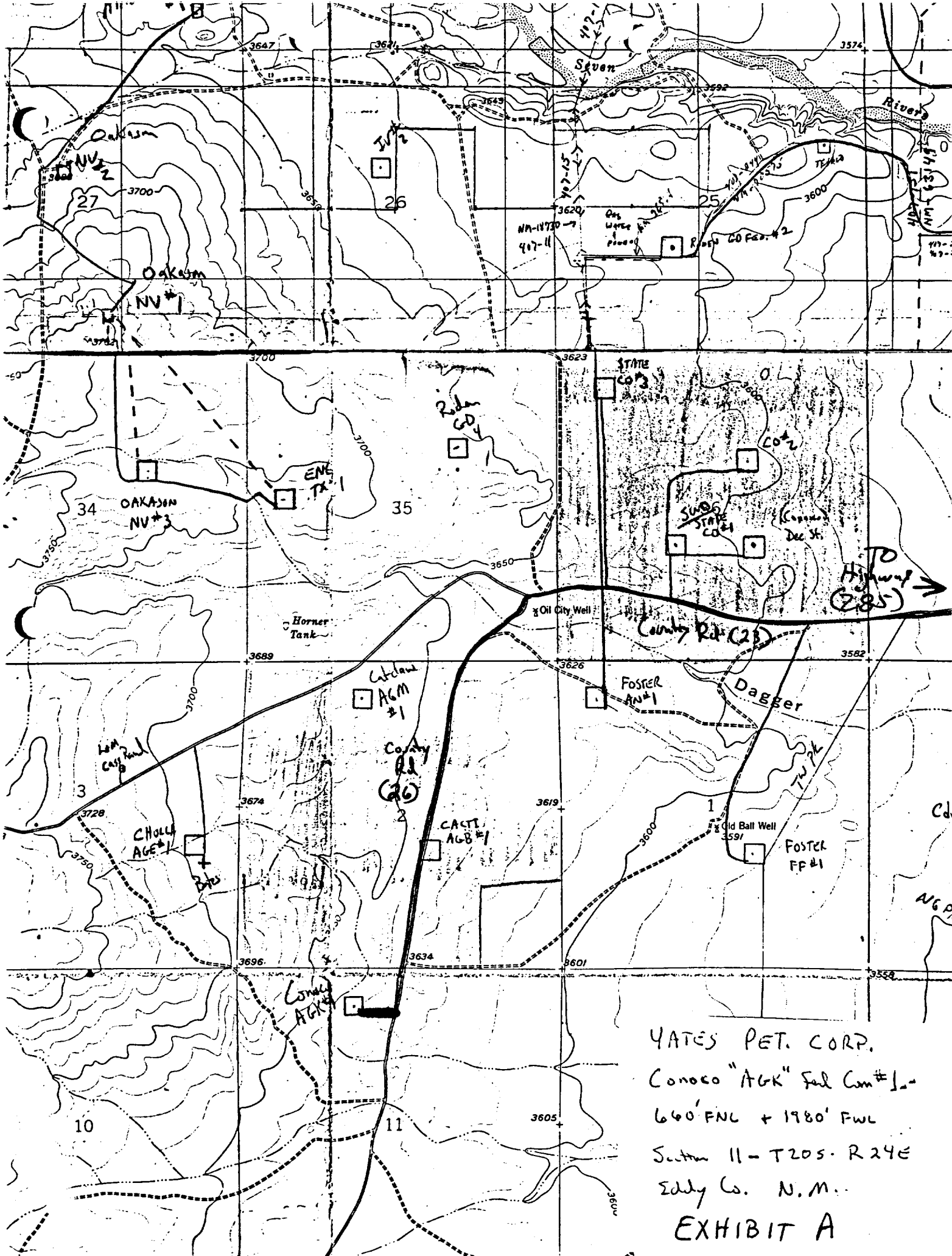
In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

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

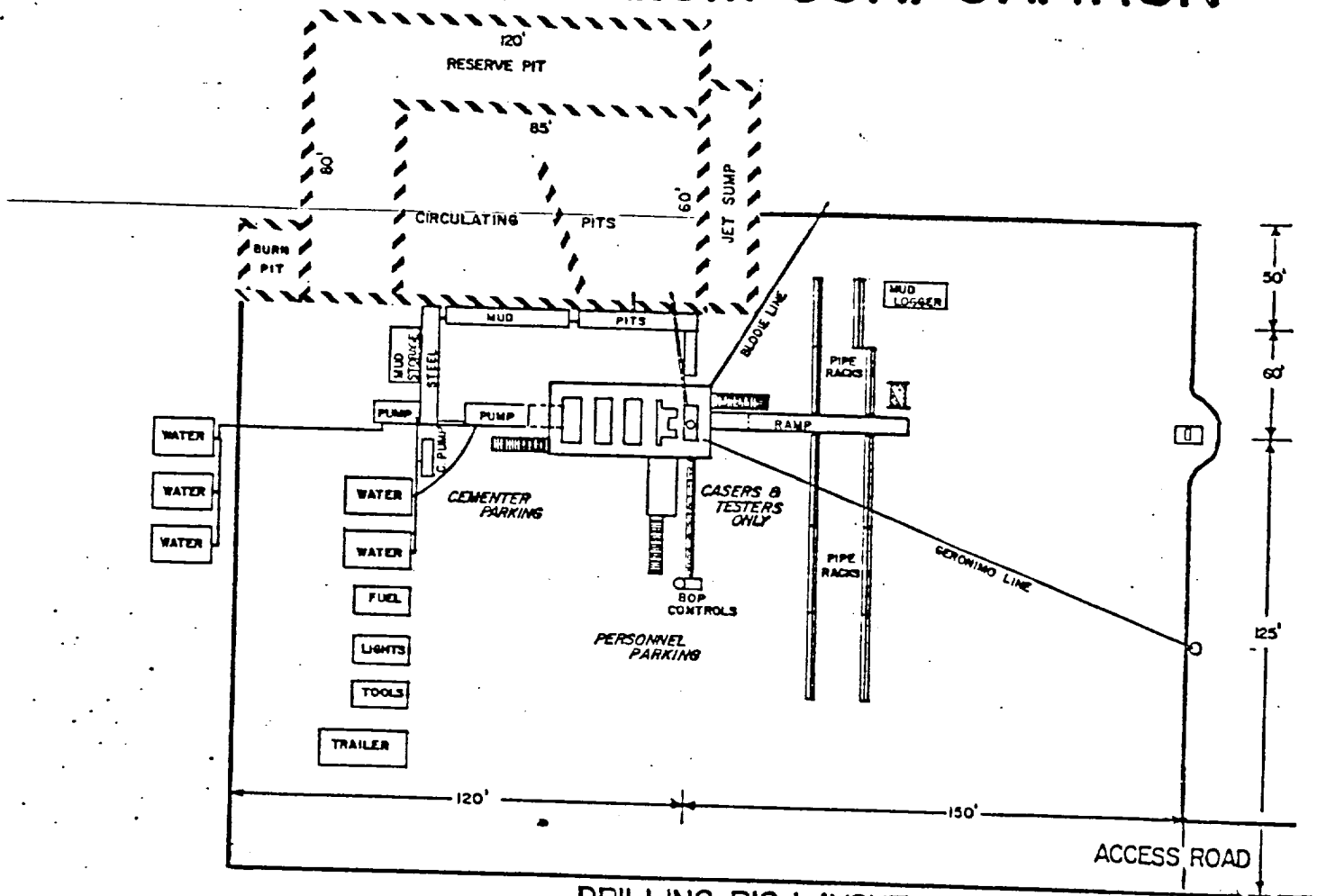
San Andres	- 443'	Top Dolomite	- 7638'
Glorieta	- 1973'	Base Dolomite	- 7863'
Bone Spring	- 3147'	Strawn	- 8188'
Abo	- 4594'	Atoka	- 8742'
Wolfcamp Lime	- 5374'	Morrow Clastics	- 9140'
Lower Canyon Lime	- 7538'	Chester Lime	- 9378'
		TD	- 9600'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 275'
Oil or Gas: 5374', 8188', 8742', 9140'
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 by drilling breaks and shows
Logging: CNL/LTD from TD to casing with GR-CNL on to surface; DLL (with min RXO) from TD to casing; Possible long spaced sonic.
Samples: 10' samples 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.

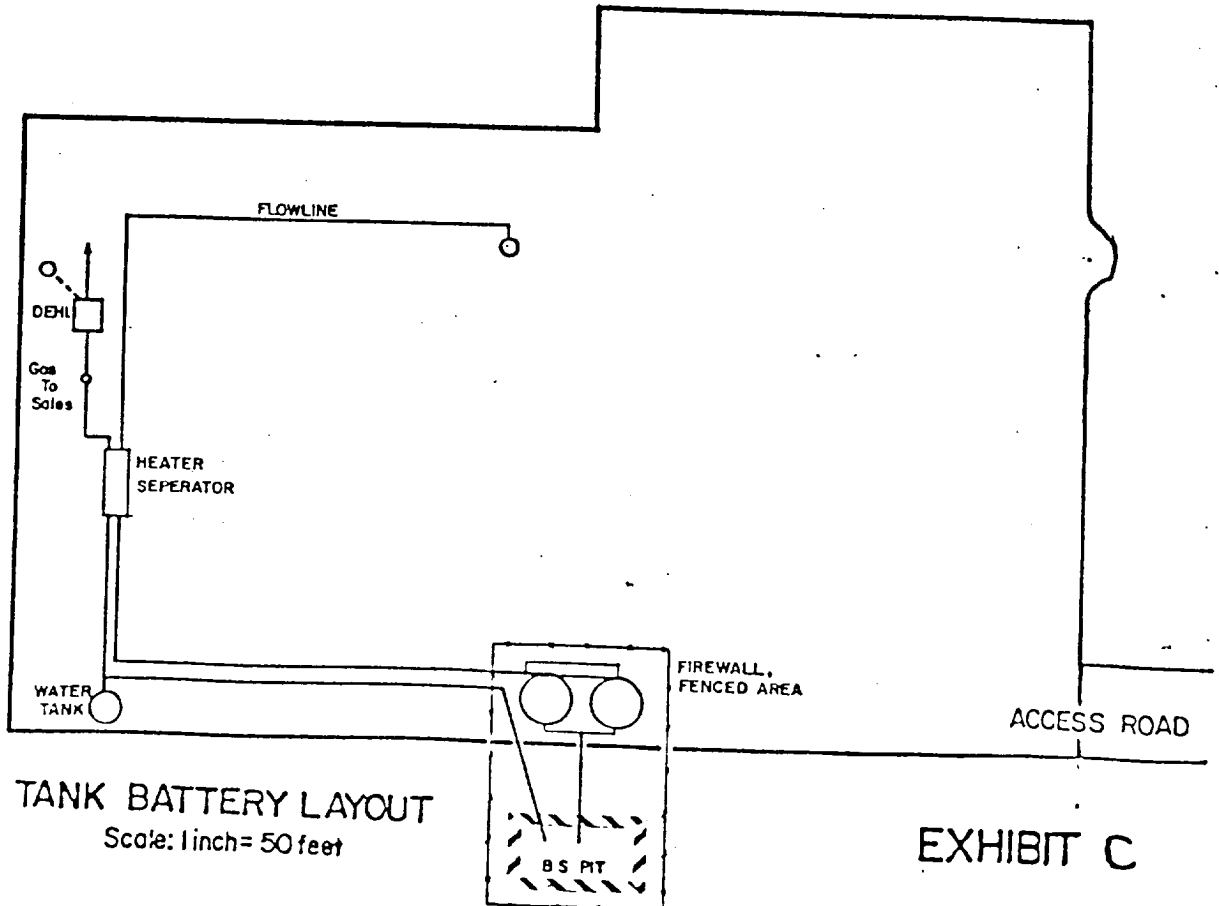


YATES PETROLEUM CORPORATION



DRILLING RIG LAYOUT

Scale: 1 inch = 50 feet



TANK BATTERY LAYOUT

Scale: 1 inch = 50 feet

EXHIBIT C