

YATES PETROLEUM CORPORATION

Nopal "AFP" Fed. Com. #1
660'FSL & 1980'FWL
Section 35-T19S-R24E
Eddy County, New Mexico

In conjunction with Form 3160-3, 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 alluvium.
2. The estimated tops of geologic markers are as follows:

San Andres	415
Glorieta	1846
Yeso	1930
Abo	4090
Wolfcamp Limestone	5343
Canyon Limestone	7539
Canyon Dolomite	7676
Base Canyon Dolomite	7811
TD	8000
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 275' to 350'
Oil or Gas: Wolfcamp, Canyon
4. Proposed Casing Program: See Form 3160-3.
5. Pressure Control Equipment: See Form 3160-3.
6. Mud Program: See Form 3160-3.
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 foot samples out from under surface casing to TD.
DST's: As warranted by drilling breaks and shows
Coring: None
Logging: CNL-LDT TD-Csg. with GR-CNL on up to surface; DLL with Rxo TD-Csg.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.