

**YATES PETROLEUM CORPORATION**

**HILL VIEW "AHE" FED. COM. #5  
660'FNL & 660'FEL  
Section 23, T20S-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	562'
Glorieta	2,095'
Yeso	2,202'
Bone Spring Lime	3,356'
3rd Bone Spring Sand	5,360'
Abo	5,606'
Wolfcamp Lime	5,796'
Canyon	7,532'
Canyon Dolomite	7,564'
Base Canyon Dolomite	7,824'
TD	8,150'

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

Water:	Approximately 275'
Oil or Gas:	Wolfcamp, Canyon

4. Proposed Casing Program: See Form 3160-3.
5. Pressure Control Equipment: See Form 3160-3 and Exhibit B.
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.