

YATES PETROLEUM CORPORATION

**Mimosa "AHS" Federal #3
Surface - 990' FSL and 1090' FEL
Production Zone - 660' FSL & 660' FEL
Section 34-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 BLM requirements.

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

San Andres	338'
Glorieta	1,695'
Abo	3,966'
Wolfcamp Lime	5,176'
Canyon Lime	7,385'
Canyon Dolomite	7,572'
Base Canyon Dolomite	7,588'
TD	8,000'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	Approximately 250' to 375'
Oil or Gas	Abo, Canyon
4. Cased Casing: 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 connections.
8. Testing, Logging and Coring Program:

Samples: 10' samples from surface to TD.

DST's: As warranted by drilling breaks and shows.

Logging: CNL-LDT from TD to casing, with GR-CNL up to surface;
DLL with RxO from TD to casing.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.