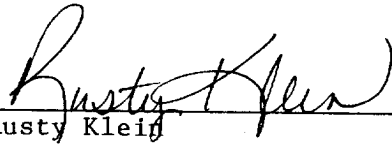


YATES PETROLEUM CORPORATION
John AGU #6
Section 14-T20S-R24E
Eddy County, New Mexico

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK OR ADD A ZONE - CONTINUED:

NOTE: If perforations 6664-6673' are good enough to produce separately, lower perforations 6681-6714' will not be perforated until production declines from perforations 6664-6673'.

If recompletion attempt to Wolfcamp is unsuccessful, will Temporarily Abandon for a period of one (1) year in order to evaluate further for recompletion. A CIBP will be set at 6640' and capped with 35' of cement. Hole will be loaded and CIBP will be tested and recorded on chart for TA Status.



Rusty Klein
Operations Technician
September 24, 1998