

YATES PETROLEUM CORPORATION
Lowe Staple AMR Federal #1
1650' FSL and 2310' FWL
Section 22-T21S-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 Caliche:
2. The estimated tops of geologic markers are as follows:

Graybury	353
San Andres	803'
Glorieta	2,477'
1st Bone Spring	3,542'
Wolf Camp	6,933'
Cisco Canyon	7,602'
Strawn	8,357'
Atoka	8,952'
Morrow	9,320'
Lower Morrow	9,510'
TD	9,900'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	Cased over'
Oil or Gas:	All Zone Potential
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 connections.
8. Testing, Logging and Coring Program:

Samples:	None
DST's:	None
Coring:	None
Logging:	Was warranted
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.