

APPLICATION FOR DRILLING

Yates Petroleum Corporation
Huber "IA" Federal Well No. 2
Section 15-T21S-R21E
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with U.S.G.S. requirements:

1. The geologic surface formation is San Andres Lime.
2. The estimated tops of geologic markers are as follows:

Glorieta	1164'
Tubb	2564'
Abo	3157'
Wolfcamp	4277'
LW. Canyon	6384'
Strawn	6923'
Atoka	7388'
Morrow Clastics	7750'
LW. Morrow	7814'
Chester Ls.	7994'
Mississippi Ls.	8104'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	Approximately 960'
Oil or Gas:	Cisco-Canyon at approximately 5950'-6300'
	Morrow at approximately 7750'-7994'
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit D.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelley Cock; pit level indicators and flow sensor; sub with full-opening valve on floor, drill pipe connection.
8. Testing, logging and coring programs: Drill stem tests as warranted.
Mud logging from 5500' to TD.
10' samples from surface casing to TD.
No coring
CNL-FDC and DLL.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible.