

APPLICATION FOR DRILLING

Harvey E. Yates Company
Stebbins Federal N #1
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill, subject well in Section 30, Township 20S, Range 29E, Eddy County, New Mexico, Harvey E. Yates Company submits the following ten items of pertinent information in accordance with U.S.G.S. requirements:

1. The geologic surface formation is quaternary alluvium and bolson deposits and other surficial deposits.

2. The estimated tops of geologic markers are as follows KB measurement:

Yates	742'
Seven Rivers	1012'
Delaware Sand	3100'
Cherry Canyon	3215'
Total Depth	3500'

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

Water - 250' or less
Oil or gas - 3200' - 3500'

4. Proposed casing program: See Form 9-331C.
5. Pressure control equipment: See Form 9-331C.
6. Mud program: See Form 9-331C.
7. Auxiliary equipment: Blowout preventer.
8. Testing, logging and coring programs: Sidewall neutron, dual laterolog RXO. Possible DST in the Delaware. No coring is planned.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval, but not later than October 15, 1977.