

Yates Petroleum Corporation
Sacahuiste KE Federal #1
660' FSL & 1980' FEL
Section 34 - T22S - R23E
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 USGS requirements:

1. The geologic surface formation is quaternary alluvium.
2. The estimate tops of geologic markers are as follows:

San Andres	606'	Lower Canyon	7882'
Glorieta	1959'	Lower Strawn	8426'
Bone Spring	3306'	Atoka	8699'
Wolfcamp	6736'	Morrow Clastics	9240'
		T. D.	9756'

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

Water: Approximately 940'

Gas: Strawn - Approx. 8400'
Atoka - Approx. 8700'
Morrow - Approx. 9200'

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit B.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.
8. Testing, Logging and Coring Program:

DST's: As Warranted
Logging: Intermediate casing - T.D.
Coring: CNL-FDC T. D. to casing with GR-CNL on to surface and
DLL from T. D. to casing with selected R.O.
x
9. No abnormal pressures or temperatures are indicated.
10. Anticipated starting date: As soon as possible after approval.