

Yates Petroleum Corporation
Superior "KJ" Federal #1
990' FNL and 990' FWL
Section 7-T20S-R29E
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:

Yates	940'	Strawn	10,215'
Delaware	3050'	Atoka	10,520'
Bone Spring Limestone	5427'	Morrow	11,054'
Wolfcamp	9070'	Lower Morrow	11,320'
		TD	11,750

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

Water: Approximately 300' and Capitan Reef Approx 1200'

Gas: Wolfcamp @ 9500-9600'
Strawn @ 10300-10399'
Atoka @ 10650-10750'
Morrow @ 11200-11550'

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: Possible Bone Spring, Wolfcamp, Strawn, Upper Morrow
Logging: From intermediate casing to TD
Coring: CNL-FDC T.D. to casing with GR-CNL on to surface and DLL from T. D. to casing with min. R.O.
Samples: 30' spls. 0-base surface^x hole; 10' spls. base surface csg to TD
9. Abnormal pressures or temperatures are possible in the Wolfcamp, Strawn, and Atoka. Adequate precautions will be taken.
10. Anticipated starting date: As soon as possible after approval.