

YATES PETROLEUM CORPORATION
Slinkard UR Federal Com #3
1980' FSL and 660' FWL of
Section 12-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 BLM requirements.

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

Yates	1527'	Strawn "B"	10807'
Delaware	3362'	Atoka	11039'
Bone Spring	6057'	Morrow Clastics	11730'
3rd Bone Springs Sand	9082'	Lower Morrow	11992'
Wolfcamp	9655'	Austin Cycle	12090'
Strawn "A"	10657'	TD	12400'

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

Water: Approximately 150'

Oil or Gas: 9655', 10657', 10807', 11039', 11730', 11992'

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: 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: If good Delaware shows; as warranted
Logging: CNL/LDT from TD to casing with GR-CNL on to surface; DLL from TD to casing with Rxo from TD over selected intervals
Samples: 10' samples out from under surface casing to TD
Coring: None
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.