

Yates Petroleum Corporation  
Lechuguilla Canyon Unit #9  
1980' FSL & 1980' FEL  
Section 3, T24S, R24E  
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 Seven Rivers lime.

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

Delaware	2700'	Strawn	8590'
Cut-off Shales	4010'	Atoka	9090'
Bone Spring Limestone	4060'	Morrow Clastics	9825'
3rd Bone Spring Sand	7260'	Lower Morrow <del>Mar</del>	10125'
Wolfcamp	7530'	Chester	10320'
Canyon	8040'	TD	10500'

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

Water: Approximately 150' - 300'      1800' - 2200'

Gas: Canyon - Approximately 8060'  
Strawn - Approximately 8610'  
Atoka - Approximately 9110'  
Morrow - Approximately 9850'

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:

Coring: As warranted.

DST's: As warranted.

Logging: Intermediate casing - TD

CNL - FDC TD to casing with GR/CNL on to surface and

DLL from TD to casing with selected min. R.O.

Mud Logging: Out from under intermediate. <sup>x</sup>

9. No abnormal pressures or temperatures are indicated.

10. Anticipated starting date: As soon as possible after approval.