

Yates Energy Corporation  
Lonesome Dove Federal #1  
660' FSL and 1980' FWL  
Section 26, T23S-R23E  
Eddy County, NM

In conjunction with Form 9-331-C, Application for Permit to Drill the well captioned above, Yates Energy Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

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

Bone Springs Lime	4,875'	Strawn	9,200'
Bone Springs Sands	7,080'	Atoka	9,400'
Wolfcamp Shale	7,410'	Morrow Lime	9,900'
Wolfcamp Carbonate	7,915'	Morrow Sand	10,200'
Cisco	8,435'	Barnett Shale	10,550'
Canyon	8,600'	TD	10,700'
3. The estimated depths at which anticipated water, oil, or gas formations are expected to be encountered:  
Water: Approximately 150'  
Oil or gas: Strawn 9,220', Atoka 9420', and Morrow 10,220'.
4. Proposed Casing Program: See Form 9-331-C
5. Pressure Control Equipment: See Form 9-331-C and Exhibit.
6. Mud Program: See Form 9-331-C.
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 Warranted
Coring:	None planned
Logging:	Intermediate casing to TD
	CNL-FDC to casing with GR-CNL on to surface
	and DLL from TD to casing with selected Rx0.
9. No abnormal pressures or temperatures are anticipated. In the event they are encountered, the proposed mud program will be modified to increase the mud weight.
10. Anticipated starting date: Around March 15, 1989. Drilling time will be approximately 35 days.