YATES PETROLEUM CORPORATION

Heflin SWD #1 660' FSL and 1980' FEL Section 24-T24S-R31E Eddy County, New Mexico

In conjunction with Form 3160-3, 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 Sandy Alluvium.
- 2. The estimated tops of geologic markers are as follows:

Anhydrite	550'
Delaware Sand	4,220'
Cherry Canyon	5,470'
PBTD	6,050'

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

Water:	750'
Oil or Gas:	None expected.

- 4. Proposed Casing Program: See Form 3160-3.
- 5. Pressure Control Equipment: 3000# BOPE.
- 6. Mud Program: Fresh Water.
- 7. Auxiliary Equipment: That used in a re-entry.
- 8. Testing, Logging and Coring Program:

Samples: None.

DST's: None.

Coring: None anticipated.

Logging: Cased Hole GR-CNL to TD 4200' with CBL.

- 9. No abnormal pressures or temperatures are anticipated.
- 10. Anticipated starting date: As soon as possible after approval.