

YATES PETROLEUM CORPORATION
Yates Federal #5
Section 26-T18S-R25E
2310' FSL and 2310' FFL
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 geologic surface formation is quaternary alluvium.
2. The estimated tops of geologic markers are as follows:

San Andres	735'
Glorieta	766'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	180-300' & 860-1000'
Oil or Gas:	1230-1650'
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:

Samples:	Surface casing to TD. 10' samples
DST's:	None.
Coring:	None.
Logging:	GR-Induction
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.