

YATES PETROLEUM CORPORATION
Allison "CQ" Fed. #11
660' FSL & 1980' FWL
Sec. 13-T19S-R24E
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 USGS requirements.

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

| | | | |
|-----------------|-------|----------------------|-------|
| San Andres | 441' | Base Canyon Dolomite | 7706' |
| Glorieta | 1774' | Strawn | 8117' |
| Abo | 3977' | Atoka | 8533' |
| Wolfcamp Lime | 5319' | Morrow Clastics | 8850' |
| Canyon Lime | 7505' | Chester Lime | 9081' |
| Canyon Dolomite | 7646' | TD | 9300' |
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 275'
Oil or Gas: 5319', 8117', 8850'
4. Proposed Casing Program: See Form 3160-3.
5. Pressure Control Equipment: See Form 3160-3.
6. Mud Program: See Form 3160-3.
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: 10 foot samples out from under surface casing to TD.
DST's: As warranted
Coring: None
Logging: CNL-LDT from TD to casing with GR-CNL up to surface; DLL TD to casing with RXO over select intervals.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.