

YATES PETROLEUM CORPORATION

Cities "UO" Federal #1

1980' FNL and 860' FEL

Sec. 7-T5S-R25E

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 sandy alluvium.

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

<u>San Andres</u>	<u>646'</u>
<u>Glorieta</u>	<u>1636'</u>
<u>Fullerton</u>	<u>3008'</u>
<u>Abo</u>	<u>3595'</u>
<u>TD</u>	<u>4200'</u>

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

Water: approximately 250'-350'

Oil or Gas: Abo 3650'

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:

Samples: Surface casing to TD.

DST's: As warranted.

Coring: None

Logging: CNL-FDC TD to csg w/GR-CNL to surface & DLL from TD to csg.

9. No abnormal pressures or temperatures are anticipated.

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