

**YATES PETROLEUM CORPORATION**

**Salt Creek Unit #5  
660' FNL and 660' FWL  
Section 21-T8S-R22E  
Chaves 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:

Glorieta	515'
Tubb	1,865'
Abo	2,515'
Granite	3,500'
TD	3,600'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	250' - 350'
Oil or Gas:	Abo
4. Proposed Casing Program: See Form 3160-3.
5. Pressure Control Equipment: See Form 3160-3 and Exhibit B.
6. Mud Program: See Form 3160-3.
7. Auxillary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connections.
8. Testing, Logging and Coring Program:

Samples: 10' samples from under surface casing to TD.

DST's: As warranted by drilling breaks and shows.

Coring: None anticipated.

Logging: CNL/FDC from TD to casing with GR-CNL to surface; DLL from TD to casing.
9. No abnormal pressures or temperatures are anticipated. No H<sub>2</sub>S is expected to be encountered during drilling operations.
10. Anticipated starting date: As soon as possible after approval.