Application

HARVEY E. YATES COMPANY Bennett Ranch Unit #1

Section 14, T26S, R12E Otero County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill/Deepen the subject well, Harvey E. Yates Company submit the following ten items of pertinent information in accordance with Onshore Oil & Gas Order No. 10.

- 1. Geologic Name of Surface Formation: Yeso
- 2. Estimated Tops of Significant Geological Markers:

Yeso @ surface; Wolfcamp @ 972'; Base Pow Wow @ 2714'; Strawn @ 3070'; Atoka @ 3784'; Morrow @ 4294'; Upper Miss @ 4683'; Lower Miss @ 4772'; Woodford @ 5084'; Fusselman @ 5216'; Montoya @ 5875'; Ellenberger @ 6231'

3. The Estimated Depths at which Water, Oil, or Gas Formations are expected.

Water: Wolfcamp @ approx 850'

Oil: Fussleman @ 5216' Gas: Fussleman @ 5216'

- 4. **Proposed Casing Program:** See Form 3160-3. Production casing will be run and cemented per Form 3160-3.
- 5. Pressure Control Equipment: BOP & Annular. See EXHIBIT C. Although the rig equipment is 3M rated, this well will be a 2M psi rating.
- 6. Drilling Fluid Program: See Form 3160-3.
- 7. Auxiliary Equipment: Blowout preventer and H2S compliance package.

8. Testing, Logging & Coring Program: A 60' core to be taken in the Fusselman and 25 sidewall cores allocated throughout wellbore. Three DST tests taken in Fusselman porosity, possible others at geologist's discretion. We will run CNL-FDC/Calipers w/GR DIL-Micro/Calipers w/GR & Sonic logs in cased hole.