

YATES PETROLEUM CORPORATION  
BATE FEDERAL #1  
1980' FSL and 660' FEL of  
Sec 3, T-20S, R-24E  
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 geological surface formation is alluvium.
2. The estimated tops of geologic markers are as follows:

San Andres	386'
Glorieta	1838'
Abo	4074'
Abo Reef	4142'
TD	4800'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:  
  
Water: Approximately 380' to 850'  
Oil or Gas: None
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:  
  
DST's: None  
Logging: CNL from TD to casing with GR-CNL on up to surface.  
Samples: None  
Coring: None
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.