

**Application  
Harvey E. Yates Company  
Ursa Major 8 Fed #2  
Section 8, T18S, R32E  
Eddy County, New Mexico**

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

1. **Geologic Name of Surface Formation:**  
Quaternary alluvium and bolson deposits
2. **Estimated Tops of Significant Geologic Markers:**  
Rustler 990', Yates 2,550', Seven Rivers 2,910', Bowers 3,400', Queen 3,680', Penrose 3,910', Grayburg 4,225', Loco Hills 4,350', San Andres 4,775', Delaware 4,910', Bone Springs 6,050', BSPG 1<sup>st</sup> Sand 7,850', BSPG "B" Zone 8,075', BSPG 2<sup>nd</sup> Sand 8,500', , BSPG "C" Zone 8,840, 3<sup>rd</sup> Sand 9,230', PTD 9,525'.
3. **Estimated Depths at which Water, Oil, or Gas Formations are expected:**  
Oil: Bone Spring 1<sup>st</sup> sand @ 7,850  
Gas: Bone Spring 1<sup>st</sup> sand @ 7,850
4. **Proposed Casing Program:**  
See Form 3160-3
5. **Pressure Control Equipment:**  
BOP & Annular. See Exhibit C.
6. **Drilling Fluid Program:**  
See Form 3160-3
7. **Auxiliary Equipment:**  
H2S Compliance package
8. **Testing, Logging, & Coring Program:**  
One DST is planned for the "B-C" Zone Carbonates. The planned logs are GR, CNL-LDT, DLL-MLL.
9. **Abnormal Conditions, Pressures, Temperature, or Potential Hazards:**  
No abnormal conditions are anticipated in this well bore.  
BHST 160 deg F  
BHP 2000 psi
10. **Anticipated Starting Date & Duration of Operation:**  
Spud Date: Approximately May 1, 2001. Duration of this project will be approximately 40 days from start of Construction of drilling pad until finish of completion operations