YATES PETROLEUM CORPORATION Indian Hills ARG State #1 Section 36-T21S-R24E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

w/52 .42" holes (4 SPF - Morrow). TOOH with casing guns. Rigged down wireline and lubricator. TIH with knock out plug, packer and tubing. Set packer at 9986'. Nippled down BOP and nippled up tree. Dropped bar to knock out plug. Flowed well down. Swabbed. Shut well in.

3-7-9-98 - Swabbed. Nippled down tree. Nippled up BOP. Released packer. TOOH with tubing and packer.

3-10-98 - Rigged up wireline. TIH with CIBP and set CIBP at 9900'. Capped CIBP with 15' of cement. Tested CIBP to 1500 psi. TIH with 4" casing guns and perforated 9322-9325' w/8 .42" holes (2 SPF - Strawn). TOOH with casing guns. Rigged down wireline. TIH with packer and tubing. Set packer at 9233'. Acidized perforations 9322-9325' with 1000 gallons 10% iron control HCL acid and ball sealers. Flowed well down. Swabbed. Shut well in.

3-11-98 - Swabbed. Released packer. TOOH with tubing and packer. Rigged up wireline with full lubricator. TIH with 4" casing guns and perforated 9270-9284' w/30 .42" holes (2 SPF - Strawn). TOOH with casing guns. Rigged down wireline and lubricator. TIH with RBP, packer and tubing. Set RBP at 9302' and tested to 2000 psi. 3-12-98 - Set packer at 9168'. Acidized perforations 9270-9284' with 2500 gallons 15% iron control HCL acid and ball sealers. Flowed well down. Swabbed. Shut well in. 3-13-98 - Pumped 40 bbls 2% KCL. Released packer and RBP. Pulled up and reset RBP at 9200' and tested to 2000 psi. TOOH with tubing and packer. Rigged up wireline and lubricator. TIH with 4" casing guns and perforated 9065-9118' w/26 .42" holes as follows: 9065-9070' and 9112-9118' (2 SPF - Strawn). TOOH with casing guns and rigged down wireline and lubricator. TIH with packer and tubing. Shut down for night.

Kusty Klein

Operations Technician

March 13, 1998