YATES PETROLEUM CORPORATION Scheurich A #7 Section 32-T17S-R30E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

7-11-2002 - Rigged up wireline. Perforated 5-1/2" casing at 525'. POOH with wireline and rigged down wireline. RIH with packer and tubing to 245'. Squeezed with 60 sacks Class C Neat cement. WOC 4 hours. RIH w/tubing - no tag. Re-squeezed with 60 sacks Class C Neat cement. Shut well in with 500 psi. WOC. Shut well in for night.

7-12-2002 - Rigged up wireline. RIH with bars and tagged plug at 393'. POOH with wireline and rigged down wireline. Released packer. POOH with packer and tubing. Rigged up wireline. Perforated 5-1/2" casing at 60'. POOH with wireline. Rigged down wireline. Rigged down tubing equipment and floor. Nippled down BOP and 5-1/2" casing head. Installed 5-1/2" X 2" swedge with valve. Circulated 35 sacks Class C Neat cement down 5-1/2" casing and up to surface of 8-5/8" casing and behind 8-5/8" casing. WOC 2 hours. Plug stayed. Rigged down pulling unit and plugging equipment. Installed regulation abandonment marker. PLUGGED AND ABANDONED - FINAL REPORT.

Rusty Klein

Agent for BCM & Associates

July 16, 2002