YATES PETROLEUM CORPORATION Cedro APG State Com #1 Section 36-T17S-R30E Eddy County, New Mexico

#27: ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.: DEPTH INTERVAL TREATMENT 11392-11423' Acidized with 2000 gallons 7-1/2% Morrow acid with 1000 scf/bbl N2. Frac'd w/36000 gallons 65 Quality CO2 and 40000# 20-40 Interprop I 10992-11006' Acidized with 1000 gallons 7-1/2% Morrow acid with 1000 scf/bb1 N2 10853-10858' Acidized with 1000 gallons 7-1/2% Morrow acid with 1000 scf/bbl N2. Frac'd with 22000 gallons 65 Quality CO2 and 25000# 20-40 DC tempered sand 10853-10858' Pumped 2000 gallons 15% gelled acid and flushed with linear gel. Pumped a 2500 gallon Step Down Test. Pumped 20000 gallons with 30% CO2 as follows: 750 gallons of 1/2 ppg sand at 8000 gallons and 750 gallons of 1/2 ppg sand at 13000 gallons. Increased sand to 1 ppg and pressure maximumed out. Got 13000# 20-40 DC sand in formation.