YATES PETROLEUM CORPORATION Cerros Locos AQM Federal Com #1 Section 6-T18S-R30E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

to pit. Spotted 250 gallons 20% iron control HCL acid at 11612'. Pulled up with packer to 11428'. Reversed 4 bbls. Removed BOP and nippled up wellhead. Set packer at 11428'. Tested annulus to 900 psi. Rigged up wireline. Tested lubricator to 3500 psi. TIH with 1-11/16" Enerjet guns to perforate Chester Lime. Guns would not fire. TOOH with guns. Nippled down wellhead. Installed BOP. Unset packer. Dropped down to 11612' and reversed acid out of hole.

3-27-97 - Spotted 250 gallons 20% iron control HCL acid at 11612'. TOOH with tubing and packer. Rigged up wireline. TIH with 4" casing guns and perforated 11576-11602' w/54 .41" holes (2 SPF - Chester Lime). TOOH with casing guns and rigged down wireline. TIH with packer, XXL 1.81" profile nipple, on/off tool and 2-7/8" tubing. Reversed 4 bbls acid into tubing. Removed BOP and nippled up wellhead. Set packer at 11428'. Tested annulus. Cannot get packer to hold. Nippled down wellhead and installed BOP. TOOH with tubing and packer.

3-28-97 - TIH with packer, XXL 1.81" profile nipple, on/off tool and 2-7/8" tubing. Reversed 4 bbls into tubing. Removed BOP and nippled up wellhead. Tested annulus to 900 psi. Break down perforations 11576-11602'. Put 250 gallons 20% iron control acid away. Bled well down. Began swabbing.

3-29-97 - Swabbed. Installed treesaver. Acidized perforations 11576-11602' with 2500 gallons 20% iron control HCL acid and ball sealers. Removed tree saver. Blow well down. Swabbed. Shut well in.

3-30-31-97 - Flared well down to pit. Swabbed. Shut well in.

4-1-97 - Flared well down to pit. Flow tested. Rigged up slick line. TIH with blanking plug. Set blanking plug in packer at 11428'. Rigged down slickline. Loaded tubing with 3% KCL water. Nippled down wellhead and installed BOP. Get off on/off tool and TOOH with tubing. TIH with RBP and tubing. Set RBP at 11396' and tested to 2600 psi. TOOH with tubing.

Rusty Kl**é**in Operations Technician April 2, 1997