

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

SUNDRY NOTICE CONTINUED:

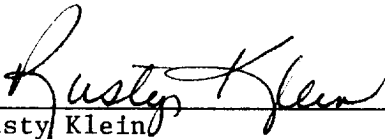
annulus to 2500 psi. Pumped 3 bbls 3% KCL water with 1 gallon surfactant, 1/2 gallon Penn 88 and 1 gallon clay stabilizer. Pumped N2 and pressured tubing to 8800 psi. Pumped 7 bbls 3% KCL water. TCP guns fired. Removed tree saver and opened well up to flow back. Shut well in.

4-6-97 - Flowed well down to pit. Swabbed. Shut well in.

4-7-97 - Flowed well down to pit. Swabbed. Shut well in.

4-8-97 - Flowed well down. Nippled down tree. Nippled up BOP. Rigged up pump truck. Released packer. TOOH with tubing, packer and TCP guns. TIH with packer and tubing. Set packer at 11079'. Nippled down BOP. Nippled up tree. Swabbed well down to 11000'. Rigged up treesaver. Acidized perforations 11155-11168' (Upper Morrow) with 1500 gallons 7-1/2% Morrow acid with N2. Flowed well down. Rigged down treesaver. Opened well up to flow well back.

4-9-97 - Swabbed. Rigged up treesaver. Frac'd perforations 11155-11168' with 9750 gallons of 35# CMHPG, 3250 gallons methanol, crosslinked with zirconate, 7000 gallons CO2 (35%) and 6480# 20-40 OptiProp and 17940# 20-40 Ultra Prop. Rigged down tree-saver. Shut well in 2 hours. Opened well up to flow back frac.

  
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Rusty Klein  
Operations Technician  
April 9, 1997