YATES PETROLEUM CORPORATION Cabeza AUD Federal Com #1 Section 10-T18S-R29E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

8-10-2000 - TIH with remainder of tubing. Rigged up swivel. Started drilling and washing on bridge. Drilled 74' to 10138'. Circulated clean. Pulled up 20'. Shut well in. 8-11-2000 - Resumed drilling on sand bridge at 10138'. Drilled out to 10230'. Shut well in. 8-12-2000 - Resumed drilling at 10230'. Drilled down to 10278'. Circulated clean. TOOH. TIH with bit, drill collars and tubing. Rigged up swivel. 8-13-2000 - Resumed drilling at 10278'. Drilled to 10282'. Fell thru bridge. Washed down to RBP at 10800'. TOOH and laid down drill collars and bit. TIH with packer with 1.87" on/off tool to 10478'. Nippled down BOP and nippled up tree. Set packer. Loaded annulus with 100 bbls. Tested to 1000 psi. Shut well in. 8-14-2000 - Swabbed. Shut well in. 8-15-2000 - Swabbed. Shut well in. 8-16-2000 - Swabbed. Shut well in. 8-17-2000 - Bled well down. Swabbed. Shut well in. 8-18-2000 - Bled well down. Swabbed. Flow tested. Shut well in. 8-19-21-2000 - Bled well down. Swabbed. Flow tested. Shut well in. 8-22-2000 - Shut in. 8-23-2000 - Bled well down. Swabbed & flow tested. Rigged up slickline. TIH and set 1.78" blanking plug in on/off tool at 10478'. TOOH and bled well down. Loaded tubing. Released on/off tool. Laid down 1 joint of tubing. Nippled up tree. Shut well in. 8-24-2000 - Swabbed tubing and annulus down to 9000'. 8-25-2000 - Nippled down tree. Nippled up BOP. TOOH with tubing. TIH with retrieving head, 1 joint 2-7/8", 2.312" Otis X nipple, 1 joint 2-7/8", 2.31 Otis X nipple and tubing to 10450'. Shut well in. 8-26-28-2000 - Shut in. 8-29-2000 - Nippled up 7-1/16" Cameron BOP. Rigged up snubbing unit & flow back manifold. Picked up 2 joints of 2-7/8" tubing. Latched onto packer at 10472'. Released packer. TOOH. Shut well in. 8-30-2000 - TIH with retrieving tool for RBP, 1 joint, 2.32" X nipple, 1 joint, 2.32" X nipple and tubing and tagged up at 10775'. Rigged up N2 unit and washed down to RBP at 10800'. Latched onto RBP. Opened valve. Released RBP. Flowed up annulus. Released well to production department.

Rustly Klein

Operations Technician August 31, 2000

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