YATES PETROLEUM CORPORATION Ottawa AOW Federal #1 Section 3-T19S-R25E Eddy County, New Mexico

#32: ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL TREATMENT Pumped 100 bbls at 5 BPM at 1200 psi down tubing 4 squeeze holes at 5890' and up perforations at 5890'. No returns. Pumped down 5-1/2'' casing to test casing patch to 500 psi - patch leaks - circulated up 5-1/2" X 8-5/8" annulus. Established injection rate of 4 BPM at 1500 psi. Cement retainer set at 5800' Mixed 100 sacks Class C with 4/10% CF-14 (yield 1.05, weight 16.4) and 100 sacks Class H Neat (yield 1.05, weight 16.4). Squeezed to 1500 psi with 1-1/2 bbls of cement in tubing. Reverse circulated 10 sacks to pit. Establish circulation down 5-1/2" casing and 4 squeeze holes at 5614'. up 5-1/2" X 8-5/8" annulus at rate of 4 BPM at 1000 psi. Cement retainer set at 5550' Establish injection rate of 4 BPM at 1250 psi. Mixed 650 sacks Pacesetter Lite C, 5#/sack salt and 2#/sack hiseal (yield 2.0, weight 12.4) and 200 sacks Super C, 5% salt, 4/10% CF-2 and 2#/sack hiseal (yield 1.76, weight 13.0). Pumped cement at 4 BPM at 1200 psi. Circulated 162 sacks to pit. Drilled out cement retainer at 5550' 5702-5726' Acidized with 5000 gallons 20% NEFE acid and ball sealers