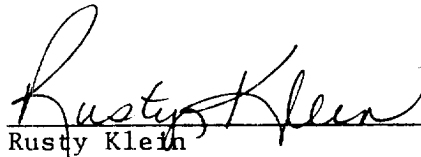


YATES PETROLEUM CORPORATION
Eastern Shore XM Federal #1
Section 5-T19S-R27E
Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

and TCP installation. Laid down washpipe out of derrick.
10-31-98 - TIH with bit, scraper and tubing. Tagged up at 7835'. Loaded hole with
80 bbls. Displaced with 2% KCL. TOOH. TIH with packer and RBP. Set RBP at 7730'.
Tested to 2000#, OK. Nippled down BOP and nipped up tree. Set packer. Loaded annulus
and tested to 500 psi, OK. Swabbing perforations 7675-7699' (Canyon). Shut well in.
11-1-2-98 - Bled well down. Swab and flow test. Shut well in. Released well to
production department.

A handwritten signature in cursive script, reading "Rusty Kleith", written over a horizontal line.

Rusty Kleith
Operations Technician
November 5, 1998