YATES PETROLEUM CORPORATION State CO Com #4 Section 36-T19S-R24E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

Started leaking around backside. Nippled down tree and nippled up BOP. Lowered tubing to 9355'. Spotted 10 bbls 15% iron control HCL across perforations. Reversed tubing clean. TOOH with 50 stands of tubing. Shut well in. 6-26-2000 - TOOH with packer and tubing. TIH with packer and tubing. Tested packer to 1000 psi, OK. Nippled down BOP and nippled up tree. Acidized perforations 9302-9338' (Chester) with 2500 gallons 15% iron control HCL acid and ball sealers. Swabbed. Shut well in. 6-27-2000 - Flow tested & swabbed. Shut well in. 6-28-2000 - Flow tested. Shut well in. Nippled down tree and nippled up BOP. 6-29-2000 - Blew well down. Pumped 36 bbls down tubing. Released packer. TOOH with tubing and packer. Rigged up wireline. TIH wtih CIBP and set at 9250'. Lost setting sleeve and bottom of mandrel in hole off setting tool. TIH with 3-3/8" casing guns to 9250' to ensure fish was on bottom. Pulled up with guns and perforated 9146-9148' w/18 .42" holes. TOOH with casing guns and rigged down wireline. 6-30-2000 - Rigged up wireline. TIH with 3-3/8" casing guns and perforated 9108-9112' w/30 .42" holes. TOOH with casing guns and rigged down wireline. TIH with RBP with ball catcher, packer with on/off tool and tubing to 9154'. Set RBP at 9154'. Pulled packer to 9123' and set. Acidized perforations 9146-9148' with 125 gallons of 7-1/2% Morrow acid. Moved tools. Reset RBP at 9123' and packer at 9090'. Acidized perforations 9108-9112' with 125 gallons of 7-1/2% Morrow acid. Moved tools. Reset RBP at 9154' and tested to 500 psi, OK. Moved packer to 9090'. Set packer and tested to 500 psi. Swabbed. Shut well in. 7-2-3-2000 - Flow tested & swabbed. Shut well in. 7-4-5-2000 - Rigged up treesaver. Acidized perforations 9108-9148' with 2500 gallons of 7-1/2% Morrow acid with 1000 scf/bbl N2. Flowing back. Shut well in. 7-6-2000 - Flow tested & swabbed. Shut well in. 7-7-2000 - Flow tested & swabbed. Shut well in. 7-8-10-2000 - Flow tested. Shut well in. 7-11-2000 - Blew well down. Nippled down tree and nippled up BOP. Pumped down tubing. Attempted to release 4-1/2" packer. Pumped down tubing and killed well. Worked packer no luck. Pulled 80000# into tubing. Shut well in. 7-12-2000 - Loaded backside. Worked on fish. TOOH with tubing. Have clean cut on fish Picked up fishing tools and TIH with overshot, bumper sub, hydraulic oil jars, drill top. collars, accelerator and crossover and tubing. Shut well in. 7-13-2000 - Finished TIH with fishing tools and tubing and egaged fish. Jarred fish free. TOOH - packer missing 4 drag blocks, springs, holding plates and two rubber seal elements. TIH with on/off tool, bumper sub, hydraulic oil jars and drill collars. Could not engage TOOH - two teeth had been knocked off bottom of on/off tool. Other teeth were worn RBP. on bottom. Shut well in. 7-14-2000 - TIH with overshot with grapple, bumper sub, hydraulic oil jars and drill collars. Engaged fish - worked and jarred fish free. Had 20-30K drag for first 15 stands. Small drag most of the way out. TOOH wtih fish and tools. Nippled down BOP and nippled up frac valve. Shut well in. 7-15-2000 - Frac'd perforations 9108-9148' (Morrow) (down 4-1/2" casing) with 37800 gallons of 700 foam and 75000# 20-40 sand. Rigged down tree saver. Opened well up and began flowing back frac. 7-16-2000 - Flowing back frac. 7-17-2000 - Flow tested. Shut well in.