YATES PETROLEUM CORPORATION Box Canyon 34 ATN Federal #1 Section 34-T2OS-R21E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

1-25-2000 - Bled well down. Loaded tubing with 2% KCL water. Released tools and moved tools. Set RBP at 7495'. Set packer at 7399'. Tested RBP to 500 psi. Acidized perforations 7456-7466' with 1000 gallons 10% iron control HCL acid and 1000 scf/bbl N2. Swabbed. Shut well in. 1-26-2000 - Flowed well down. Swabbed & flow tested. Shut well in. 1-27-2000 - Swabbed & flow tested. Pumped 40 bbls 2% KCL water down tubing. Released packer and RBP. Moved RBP up and set at 6100' and tested to 1000 psi. TOOH with tubing and packer. 1-28-2000 - Rigged up wireline. TIH with 4" casing guns and perforated 6012-6028' w/17 .42" holes (1 SPF - Cisco). TOOH with casing guns and rigged down wireline. TIH with packer and tubing. Set packer at 5969' and tested packer to 500 psi. Acidized perforations 6012-6028' with 1500 gallons 15% iron control HCL acid and ball sealers. Swab and flow test. Shut well in. 1-29-31-2000 - Flow tested. Pumped 40 bbls 2% KCL water. Released packer. Nippled down BOP. Set packer. Nippled up tree. Tested packer to 500 psi. Flow tested. Shut well in. Released well to production department.

Rusty Klein

Operations Technician January 31, 2000