

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

YATES PETROLEUM CORPORATION

Domino AOJ Federal #4

Section 8-T19S-R31E

Eddy County, NM

Spot 5 bbls 7-1/2% Morrow acid. Pull up to 11,803, set packer. Pressure annulus to 1000 psi. Breakdown perfs @ 3000 psi. Pump 10 bbls 2.8 bpm @ 4200# - ISDP 3700 psi, 5 min 1860 psi. Flowed 2 hrs @ 5.8 mcf – stabilized-TIH with 2-1/8 strip guns. Perf Morrow 6 JSPF: 11,882-88', 11,900-06', 11,937'-42, 11,966-72'. Total 220.29 holes flowed on 24/64 choke. Stabilized 2200 psi = 7.5 mcf . TP 690#, 63 bbls oil, 0 bbls water & 2718 mcf.