YATES PETROLEUM CORPORATION Archimedes ARE State Com #1 Section 18-T21S-R24E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

7-24-97 - Acidized perforations 9521-9599' with 3000 gallons 7-1/2% Morrow acid with 1500 scf/bbl N2 and ball sealers. Flowing well back to pit for cleanup. 7-25-97 - Flow test and swabbed. Shut well in.

7-26-28-97 - Flow test. Shut well in for weekend.

7-29-97 - Opened well and bled well down. Loaded tubing with 2% KCL water. Get off on/off tool and reversed out bubble. POOH with tubing. Changed out rams to 3-1/2" in BOP. Picked up redressed on/off tool, crossover and 80 joints of 3-1/2" P-110 12.75# tubing.

7-30-97 - Finished picking up 3-1/2" tubing. Latched onto packer at 9469' with 303 joints of 3-1/2" tubing. Nippled up 3-1/2" frac stack on BOP. Tested annulus to 1000#. Shut well in. Prep to frac.

7-31-97 - Installed additional 2' sub under frac stack to be able to get 40 points down on packer. Pressured annulus to 1000#. Prep to frac.

Rusty Klein

Operations Technician August 4, 1997