YATES PETROLEUM CORPORATION Rabbit ASR Federal #1 Section 34-T23S-R24E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

10% mutual solvent with 1750 scf/bbl N2 and ball sealers. Flushed with 3000 scf/bbl N2. Flowed well back. Swabbed. Shut well in.

9-5-8-98 - Swabbed. Shut well in.

9-9-98 - Opened well up and flowed down. Pumped 30 bbls 2% KCL water. Released packer. TOOH with tubing and packer. Rigged up wireline and lubricator. TIH with CIBP and set CIBP at 9580'. Capped CIBP with 35' of cement. TIH with 3-1/8" casing guns and perforated 8951-8959' w/36 .38" holes (4 SPF - Strawn). TOOH with casing guns and rigged down wireline and lubricator. TIH with packer and tubing.

9-10-98 - Acidized perforations 8951-8959' with 1500 gallons 15% double inhibited iron control HCL acid with ball sealers. NOTE: Packer set at 8874'. Swab and flow test. Shut well in.

9-11-98 - Flow tested. Pumped 35 bbls 2% KCL. Released packer. Nippled down BOP and frac valve. Reset packer at 8874'. Nippled up 5K tree. Tested packer to 1000 psi, OK. Swabbed. Shut well in.

9-12-98 - Flow tested. Shut well in. Released) to production department.

Rusty Kleih

Operations Technician September 23, 1998