YATES PETROLEUM CORPORATION Squires ALR #1 Section 7-T24S-R31E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

5-2-97 - Loaded annulus with 63 bbls 2% KCL. Pressured to 500 psi. Acidized perforations 6613-6630' with 1000 gallons 7-1/2% iron control HCL acid and ball sealers. Swabbing.

5-3-5-97 - Swabbing.

5-6-97 - Frac'd perforations 6613-6630' with 17000 gallons 20# crosslink gel, 45000# 20-40 Ottawa sand and 12000# Super LC sand. Shut in overnight. 5-7-97 - Bled well down to pit. Unset packer. TOOH with tubing and packer. TIH with retrieving tool and tubing. Reversed 94' of sand off of RBP at 6714'. Unset RBP. TOOH with tubing and RBP. Released well to production department.

lin Rusty Kleip

Operations Technician May 8, 1997