

TIMELINE

- 5/25/01 = Yates receives APD for a N/2 unit to re-enter the State "X" Well No. 1 on its acreage in the NE/4 of Section 12
- 6/1/01 = State lease issued to Pride for the SE/4 of Section 12
- 4/15/02 = Yates N/2 APD extended for one year
- 7/16/03 = Pride receives APD for a W/2 unit to re-enter the State "X" Well No. 1.
- 8/23/03 = OCD cancels Pride's APD because N/2 leased to another operator
- 8/26/03 = Yates N/2 APD approved for a second time
- 9/5/03 = Yates moves rig on location and re-working activities commence
- 9/10/03 = Pride files compulsory pooling application for a W/2 unit to re-enter the State "X" Well No. 1 on Yates' acreage

Yates No. 3