Yates Energy Corporation Seymour State No. 2 Chaves County, New Mexico Field Notes Page -3-

October 23, 1990 continued:

formation at 6019' - 26' K.B. with 500 gallons 15% HCL NEFE foamed acid and 88,000 SCF N2 and 35 barrels 2% KCL water as follows:

Pumped 20 barrels water, 500 gallons foamed acid down tubing and displaced with N-2, TP 850 psig, CP 20 psig. Pressures casing with N2. TP 1550 psig, CP 600 psig Pressure tubing with N2. TP 2020 psig, CP 1180 psig Pressure tubing with N2. TP 2430 psig, CP 1750 psig. Pump 15 barrels water down casing. TP 2740 psig, CP 1840 psig.

Shut down at 7:30 PM.

October 24, 1990:

PBID 6031' K.B. 12 hour SITP 1840 psig, CP 1300 psig. Rig up flow line to pit. Flow back 1 hour and recovered N2 and load water. Had continuous flare of gas in 30 minutes. CP 925 psig. Swab and flow for 5 hours, recovered estimated total load with small amount of formation water. Last hour made estimated 2 - 3 barrels of fluid with 5-10' flare. Final Fluid level at 4600' scattered. CP 300 psig. Shut down at 4:30 PM.

October 25, 1990:

PBID at 6031° K.B. 14 1/2 hour SITP 225 psig, CP 375 psig. Have leak at well head. Open well to pit and blow down tubing. Made 1 swab run and recovered estimated 4 barrels of water, fluid level at 3700' from surface. CP 350 psig. Open casing to pit and blow down. Replace "O" ring seal in stripper towl. Swab total of 8 hours and recovered estimated 45 barrels water. Final Fluid level at 4800' and scattered. Last hour made 3 swab runs and recovered estimated 3 barrels water with continuous flare of gas. CP 220 psig. Shut down at 5:00 PM.

October 26, 1990:

PBTD at 6031' K.B. 14 1/2 hour SITP 210 psig, CP 475 psig. Open well to pit and blow down tubing. Made 9 swab runs in 4 1/2 hours, recovered estimated 14 barrels with continuous 5' - 20' gas flare. Final fluid level at 800' and scattered. CP 340 psig. Shut down at 12:00 noon.

October 27, 1990:

PBTD at 6031' K.B. 19 1/2 hour SITP 360 psig, CP 620 psig. Open well and blow down to pit. Made 1 swab run, initial fluid level at 3500' from surface. Open casing and blow down to pit. Ran tubing subs and tag sand fill at 6024 1/2' K.B. Added 6' and 2' tubing subs to string and set bottom of tubing at 6022' K.B. Rig up Halliburton and acidized Montoya formation at 6019' - 26' K.B.