YATES PETROLEUM CORPORATION

Joya "AYJ" State #1 Re-entry 660" FNL & 660' FEL Section 13-T9S-R27E Chaves County, New Mexico Lease #VO-5398

Drilling Plans: Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by Yates and plugged 1/22/00. A pulling unit and a reverse unit will be used to drill out the cement plugs and CIPB in the 5 1/2" casing and the 7 7/8" open hole to the original total depth of 6660'. After circulating the hole clean a string of 4" flush joint casing will be run to the total depth and cemented with enough cement to bring the top of cement to approximately 3,000'. The mud program to be used will be 9.5-9.7 ppg brine water with a 55-70 viscosity. A 3,000# BOPE will be installed on the 5 1/2" casing.

The well will be completed using a pulling unit. The well will be completed and tested in the Ordovician zone or the Wolfcamp.