YATES PETROLEUM CORPORATION Thunderhead TD State #3 Section 32-8S-26E Chaves County, New Mexico

SUNDRY NOTICE CONTINUED:

6-21-2000 - Swabbed. Acidized perforations 6964-6974' with 500 gallons of 20% double inhibited iron control HCL acid. Loaded tubing with 2% KCL. Swabbed. Shut well in. 6-22-2000 - Swabbed. Acidized perforations 6964-6974' with 1500 gallons of 20% iron control HCL acid. Swabbed & flowed back. Shut well in.

6-23-2000 - Swabbed. Shut well in.

6-24-8-7-2000 - Shut in.

8-8-2000 - Bled well down. Nippled down wellhead. Nippled up BOP. Unset packer. TOOH with packer and tubing. Shut well in.

8-9-2000 - Rigged up wireline. TIH with 4" casing guns and perforated 5560-5582' w/40 .41" holes as follows: 5560-5568' w/18 holes and 5572-5582' w/22 holes (2 SPF - Wolfcamp). TOOH with casing guns and rigged down wireline. TIH with packer and tubing. Set packer at 5475'. Shut well in.

8-10-2000 - Rigged up pipe testers. Tested tubing in hole to 5000# above slips. Set packer at 5475'. Rigged down pipe testers. Acidized perforations 5560-5582' with 1800 gallons of 20% iron control acid and ball sealers. Swabbed. Shut well in.

8-11-2000 - Swabbed. Shut well in.

8-12-2000 - Loaded tubing. Nippled up BOP. Unset packer and TOOH. Rigged up wireline. TIH with CIBP and set CIBP at 5500'. TIH with 4" casing guns and perforated 4596-4707' w/20 .41" holes as follows: 4596, 97, 4607, 08, 20, 21, 22, 23, 24, 25, 26, 27, 4700, 01, 02, 03, 04, 05, 06 & 4707' (1 SPF - Abo). TOOH with casing guns and rigged down wireline. Nippled down BOP. Nippled up Cameron valve. Shut well in. 8-13-17-2000 - Prep to frac.

8-18-2000 - Frac'd perforations 4595-4707' (Abo) with 146000 gallons 65Q foam and 240000 # 16-30 Brady sand - pressured out with 113000 # sand in formation. Opened well up and began flowing back frac.

8-19-2000 - Flowing back frac.

8-20-21-2000 - Flowed back frac. Shut well in.

8-22-2000 - Bled well down. Loaded casing with 7% KCL. Nippled down frac valve. Nippled up BOP. TIH with seating nipple and tubing to 4900'. No fill. Pulled seating nipple to 4545' and set with 155 joints of 2-7/8" tubing. Nippled down BOP. Nippled up wellhead. Swabbed. Shut well in.

8-23-2000 - Swabbed & flow tested. Shut well in.

8-24-2000 - Swabbed. Flow tested. Shut well in.

8-25-2000 - Bled well down. Swabbed & flow tested. Shut well in.

8-26-28-2000 - Flow tested. Shut well in. Released well to production department.

Rusty Klein

Operations Technician

August 31, 2000