YATES PETROLEUM CORPORATION Sacra SA Com #12 Section 23-T6S-R25E Chaves County, New Mexico

SUNDRY NOTICE CONTINUED:

WOC 2 hours. Ran 1". Tagged cement at 51'. Spotted 300 sacks Class C and 4% CaCl2. PD 9:00 PM 7-9-2001. WOC 3 hours. Ran 1". Tagged cement at surface. Spotted 120 sacks Class C and 4% CaCl2. PD 1:45 AM 7-10-2001. Circulated 10 sacks. WOC. Nippled up and tested to 500# for 10 minutes, OK. Drilled out at 5:30 PM 7-10-2001. WOC 35 hours. Reduced hole to 11". Resumed drilling. NOTE: Notified Phil Hawkins w/OCD-Artesia of operations.

Rusty Klein

Operations Technician

October 30, 2001