YATES PETROLEUM CORPORATION Program AXP State #1 Section 5-T10S-R26E Chaves County, New Mexico

SUNDRY NOTICE CONTINUED:

7-4-5-2001 - Flowed well back. Flow tested. Shut well in. 7-6-2001 - Swabbed. Flow tested. Bled well down. Pumped 50 bbls 7% water. Nippled down frac valve. Nippled up BOP. TIH with tubing and tagged up at 5985'. TOOH. TIH with packer and tubing. Set packer at 5725' and tsted, OK. Nippled down BOP. Swabbed. Flow tested. Shut well in. 7-7-9-2001 - Swabbed. Shut well in. 7-10-2001 - Swabbed. Shut well in. 7-11-2001 - Swabbed. Shut well in. 7-12-2001 - Swabbed. Shut well in. 7-13-2001 - Swabbed. Shut well in. 7-14-16-2001 - Swabbed. Loaded tubing. Released packer. TOOH with tubing and packer. Shut well in. 7-17-2001 - Rigged up wireline. TIH with 4-1/2" CIBP and set CIBP at 5750'. TOOH. TIH with 3-3/8" casing guns and perforated 5410-5422' w/26 .42" holes (2 SPF - Wolfcamp). TOOH with casing guns and rigged down wireline. TIH with packer and tubing. Set packer and tested to 500 psi, OK. Swabbed tubing down to 5000'. Acidized perforations 5410-5422' with 1250 gallons of 15% iron control HCL acid with cationic surfactants and ball sealers. Swabbed. Shut well in. 7-18-2001 - Swabbed & flow tested. Shut well in. 7-19-2001 - Bled well down. Released packer and TOOH with tubing and packer. Rigged up wireline. TIH with 3-3/8" casing guns and perforated 5140-5152' with 26 .42" holes (2 SPF - Wolfcamp). TOOH with casing guns and rigged down wireline. TIH with packer, RBP and tubing. Set RBP at 5336' and tested to 1500 psi. Set packer at 5076'. Shut well in. 7-20-2001 - Tested packer to 1000 psi, OK. Acidized perforations 5140-5142' with 1200 gallons of 20% iron control HCL acid with cationic surfactants and ball sealers. Swabbed. Shut well in. 7-21-23-2001 - Swabbed & flow tested. Shut well in. 7-24-2001 - Bled well down. Nippled up BOP. Released packer and RBP. TOOH with packer, RBP and tubing. TIH with packer and tubing. Set packer at 5076' and tested. Nippled down BOP. Swabbed. Flow tested. Shut well in. 7-25-2001 - Swabbed. Flow tested. Shut well in.

7-26-2001 - Flow tested. Shut well in. Released well to production department.

Rusty Klein

Operations Technician November 13, 2001