YATES PETROLEUM CORPORATION

DRILL STEM TESTS Hoover ADR State #1 LG-3345 Unit I, Sec. 1-T17S-R33E Lea County, New Mexico

DST #1 4590-4629' (39') SAN ANDRES: TO 30"; SI 90: TO 60:; SI 180". First open - opened with very weak blow. Remained very weak for 15 minutes. No blow after 20 minutes, 1/8" on bubble hose. In 5 minutes had 1½" in 5-gal bucket water. Had 3½" in bucket after 35 minutes. Decreased to 1" in 55 minutes. SAMPLER: 6 psi, .149 cfg, 100 cc water (total fluid 100 cc). SAMPLER: 4' oil cut water. BHT: 113°. PRESSURES: BOTTOM: 1st open IHP 1992; IFP 26; FFP 39; ISIP 131; 2nd open IFP 26, FFP 26; FSIP 289.

DST #2 4843-4879' (36') SAN ANDRES: TO 30"; SI 90"; TO 60"; SI 180". 1st open opened with very weak blow, 1/2" in bucket. No increase for remainder of open. 2nd open - opened with weak blow 1/2" in bucket. Remained weak for remainder of open. RECOVERY: 15 psi, 500 cc water slight oil cut, .1794 cft. SAMPLER: 8' drilling fluid, slight oil cut. BHT: 113°. PRESSURES: BOTTOM: 1st open - IHP 2150; IFP 26; FFP 26; ISIP 131; 2nd open - ISP 39; FFP 236; FHP 2150.

DST #3 6086-6150' (64') GLORIETA: TO 30"; SI 90"; TO 60"; SI 240". 1st open opened with weak blow 1/2" bucket. Had small increase in blow for 10 minutes. Blow stabilized 1" in bubble bucket. 2nd open - opened with no blow. In 30 minutes had very weak blow 1/8" in bucket. In 30 minutes had small increase in blow to 1/2" in bucket. Stabilized 1/2" in bucket after 40 minutes. RECOVERY: 127' water + 3' oil. SAMPLER: at 40 psi, 2500 cc water with trace of oil. PRESSURES: BOTTOM: IHP 2688; IFP 54; FFP 81, ISIP 135; IFP 81; FFP 108; FSIP 162; FHP 2688.

DST #4 10186-10211' (25'): WOLFCAMP: TO 30"; SI 60"; TO 90"; SI 240". Opened tool with weak blow 2" in bucket. Increased to 3<sup>1</sup>/<sub>2</sub>" in bucket in 20 minutes and remained. Reopened with strong blow, 1/4 psi at surface. Increased to 1/2 psi in 20 minutes; 3/4 psi in 20 minutes with strong blow. In 60 minutes, pressure increased to 1 psi; 1-1/4 psi in 70 minutes and remained. RECOVERY: 36' oil, 57' water with oil cut and 87' water. SAMPLER: 1200 cc oil, 800 cc water, .27 cfg, 120 psi. Gravity: 45°. BHT: 178°. PRESSURES: BOTTOM: 1st open - IHP 4780; IFP 90; FFP 108; ISIP 2147; 2nd open - IFP 126; FFP 144; FSIP 3830; FHP 4780.

DST #5 10857-10292' (72') KEMNITZ: TO 30"; SI 90"; TO 60"; SI 180". Opened tool with weak blow on bubble hose. In 5 minutes had 2" on bubble hose. Increased 4" on bubble hose in 20 minutes and stabilized. Reopened with 1/4 psi at surface with weak blow. Bubble hose reached bottom of bucket in 15 minutes with weak blow. RECOVERY: 1' oil and 70' drilling fluid. SAMPLER: 75 cc oil and 1925 cc drilling fluid, 110 psi. BHT: 180°. PRESSURES: 1st open - IHP 5527; IFP 131, FFP 113; ISIP 349; 2nd open - IFP 113; FFP 113; FSIP 632; FHP 5404.

DST #6 1173-11240' (67') SOMBRERO WOLFCAMP: TO 30"; SI 90"; TO 30"; SH 120". Opened tool with weak blow on bubble hose (1½"). Decreased to 3/4" in 15 minutes, 1/2" in 25 minutes. Reopened tool for final flow. Opened tool, no blow at surface. RECOVERY: 210' drilling mud. SAMPLER: 2450 cc drilling fluid; 10 psi, .02 cfg. BHT: 161°. PRESSURES: BOTTOM: 1st open - IHP 5641; IFP 173; FFP 173; ISIP 216; 2nd open - IFP 173; FFP 173; FSIP 216; FHP 5553.

DST #7: MISRUN.

