YATES PETROLEUM CORPORATION Big Flat ASN State Com #1 Section 10-T16S-R35E Lea County, New Mexico

TIH with packer and tubing. Nippled down BOP and nippled up tree. Set packer at 12048'. Tested packer and tree. Swabbed well dry. Shut well in. 7-17-98 - Rigged up treesaver. Acidized perforations 12120-12130' (Morrow) with 700 gallons 7-1/2% iron control HCL acid and ball sealers. Rigged down treesaver. Swabbed. Shut well in.

7-18-98 - Opened well up. Flow tested. Shut well in.

7-19-20-98 - Rigged up treesaver. Frac'd perforations 12120-12130' (Morrow) with 17000 gallons 3% KCL, 3000 gallons methanol 50# CMHPG, 72000# 20-40 interprop plus and 230 tons CO2 - well screened out. Total sand in formation 31300# and 162 tons CO2. Rigged down treesaver. Rigged up flow back manifold. Flowing back frac. Shut well in.

7-21-98 - Opened well up and flowed well down. Rigged up wireline and lubricator. TIH with 1-11/16" GR/CCL. Tagged sand at 12330'. No sand over perforations. TOOH with GR/CCL. Rigged down wireline and lubricator. Swabbed. Shut well in. Released well to production department.

Rusty Klefin Operations Technician July 21, 1998