YATES PETROLEUM CORPORATION Pardner AXO State Com #1 Section 19-T15S-R35E Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

7-13-2001 - Flowing well back for cleanup. Shut well in.

7-14-16-2001 - Flow tested. Shut well in.

7-17-2001 - Flow tested. Shut well in.

7-18-2001 - Flow tested. Shut well in.

7-19-2001 - Flow tested. Shut well in.

7-20-2001 - Rigged up slickline. TIH and set 2.25" blanking plug in on/off tool at 12600'. Bled tubing down. Loaded hole and released on/off tool. Nippled down tree and nippled up BOP. TOOH and laying down 2-7/8" tubing. Shut well in. 7-21-23-2001 - Finished laying down 2-7/8" tubing. Changed rams in BOP to 3-1/2".

Started in hole with 3-1/2" tubing. Shut well in.

7-24-2001 - Finished TIH with 3-1/2" tubing. Tagged on/off tool. Spaced out. Shut in. 7-25-2001 - Nippled down BOP and nippled up tree. Latched onto packer. Flanged up. Tested annulus to 1500 psi for 5 minutes. Swabbed tubing down to 6000'. Rigged up slickline. Fished equalizing probe and blanking plug. Rigged down wireline. Flowed well for cleanup. Shut well in.

7-26-2001 - Rigged up treesaver. Frac'd perforations 12856-12875' (via 3-1/2" tubing) with 61000 gallons WF140 70Q foam and 45000#20-40 interprop. Rigged down treesaver. Opened well up and began flowing well back for cleanup. Shut well in.

7-27-2001 - Flow tested. Shut well in.

7-28-30-2001 - Flow tested. Shut well in.

7-31-2001 - Rigged up slickline. TIH and set 2.25" blanking plug in on/off tool at 12600'. TOOH and bled down tubing. Loaded with 88 bbls 7%. Released on/off tool. Reversed tubing capacity. Nippled down tree and nippled up BOP. Started TOOH with 3-1/2" tubing. Shut well in.

8-1-2001 - Finished TOOH with 3-1/2" tubing. Changed rams in BOP to 2-7/8". TIH wtih seal connector. Started TIH with 2-7/8" tubing. Shut well in for night.

8-2-2001 - Finished TIH with 2-7/8" tubing. Spaced out. Nippled down BOP. Nippled up tree. Latched onto packer at 12600'. Flanged up. Tested annulus to 1000 psi. Swabbed tubing down to 6500'. Rigged up slickline. Fished blanking plug. Rigged down slickline. Flow tested. Shut well in.

8-3-2001 - Flow tested. Shut well in. Released well to production department.

Rus**f**y Kl**d**in

Operations Technician

August 30, 2001