YATES PETROLEUM CORPORATION Avian AYA State #1 Section 20-T15S-R32E Lea County, New Mexico

APPLICATION FOR PERMIT TO DRILL, ETC. CONTINUED:

4. Perforate 9943-9995' (Wolfcamp), acidize as necessary for production.

5. Swab/flow test.

6. If perforations 9943-9995' are wet, spot sand on top of RBP. Set retainer at 9910' and squeeze perforations.

7. If perforations 9943-9995' are productive, move RBP to 9900', set and pressure test. POOH with tubing and packer.

8. Perforate 9805-9854', acidize as necessary for production.

9. Swab/flow test.

10. Place well into production.

Rusty Klein

Operations Technician Sept. 6, 2001