YATES PETROLEUM CORPORATION State K #1 Section 28-T19S-R25E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

up wireline. TIH with 4" casing guns and perforated 7760-7764' w/8 .42" holes (2 SPF - Canyon). TOOH with casing guns and rigged down wireline. Put acid away. TIH with packer and tubing. Set packer at 7715'. Swabbed.

11-12-97 - Released packer. TOOH with tubing and packer. Rigged up wireline. TIH with cement retainer and set retainer at 7745'. Rigged down wireline. TIH with stinger and tubing. Sting into retainer.

11-12-97 - Sting into retainer. Pumped through retainer to establish injection rate. Pumped 100 sacks "H" cement with 4/10% fluid loss and 100 sacks "H" Neat. Well took cement on vacuum. Last 10 bbls of cement, staged in perfs at 2 bbls every 15 minutes. Over displaced cement 15 bbls. Waited 1 hour. Pulled out of retainer. Mixed 100 sacks "H" Neat. Spotted cement 3 bbls short of retainer. Stung into retainer. Perfs still taking cement on vacuum. Stages last 12 bbls cement every 20 minutes. Overdisplaced 5 bbls. Pulled out of retainer. Shut well in.

11-14-97 - Spotted 100 sacks cement. Stung in retainer. Pumped 10 bbls. Shut down. Stage cement 2 bbls every 15 minutes. Well on vacuum. Pumped displacement. Stung out of retainer. Reversed out 65 bbls. Pumped 150 bbls "H", 10% A-10B Thixad, 2% CaCl2, 2#/sack gilsonite and 200 sacks "H" Neat (lead cement 14.6#, tail cement 16.7#). Pumped 55 bbls cement at 120#. Shut down. Started displacement 5 bbls every 20 minutes. Had 6 bbls cement in tubing. Tried to sting out of retainer - could n ot. Tried to clear tubing. Cement squeezed off to 600 psi, then 4000 psi. Rigged down BJ. Rigged up wireline. TIH with free point. Tagged cement in tubing at 6471'. Tubing free to 6471'. TOOH with tools. TIH with chemical cutter. Cut 2-7/8" tubing at 6447'. TOOH with tools and rigged down wireline. TOOH with tubing. TIH with 2-7/8" overshot, jars, bumper sub, drill collars and 2-7/8" tubing. Latched onto stub. Started jarring. Jarred for 3 hours - no movement.

11-15-97 - Released overshot. TOOH with tubing and tools. TIH with overshot (4-1/8"), port sub, bumper sub and tubing. Latched onto 2-7/8" fishing stub. Rigged up wireline. TIH with string shot to back tubing off. Tagged up at 7640'. Try to get torque in tubing - would not hold torque. Shot string shot. TOOH with wireline. Rigged down wireline. Could not get tubing to back off. Shut down due to high winds & snow. 11-16-97 - Repaired pulling unit. Rigged up swivel. Pulled 10 points over string weight. Started turning pipe. Pipe jumped. Had 10 more points on weight. TOOH with tubing, port sub, bumper sub, overshot and 2-7/8" fish. Laid down 18' fishing stub and 36 joints of tubing with cement inside. TIH with overshot, jars, bumper sub, drill collars, accelerator sub and 2-7/8" tubing. Latched onto fishing stub (tubing collar). Started jarring. After 2 hours - jarred free. TOOH with tubing and fishing tools. Just had tubing collar in overshot. TIH with mill and washpipe. Rig broke down. Wait on parts. 11-17-97 - Repaired rig. TIH with mill, washpipe, collars and tubing. Started milling at 7650'. Milled to 7671' (brought up BS, scale and cement). Mill stopped making hole. Shut down.

11-18-97 - TOOH with tubing, collars, jars, washpipe and mill. Mill worn out. TIH with mill, 115' of washpipe, jars, drill collars and tubing. Tagged cement at 7671'. Started milling at 7:00 PM. Milled to 3:30 AM. Milled to 7678' (7'). TOOH with tubing and tools. Mill worn out.

11-19-97 - TIH with mill, 3 joints washpipe, jars, drill collars and tubing. Started milling at 7678'. Milled to 7694' and milled to 7694'. Mill wore out. TOOH with tubing, collars, jars, washpipe and mill. Had 4' piece of tubing in washpipe. Changed mill. TIH with mill, washpipe, jars, collars and tubing. Started milling. Made 3' to 7697'. Mill not making hole. TOOH with tubing, collars, jars, washpipe and mill. Mill wore out. Changed mill.