YATES PETROLEUM CORPORATION State CO Com #4 Section 36-T19S-R24E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

2-18-2000 - Rigged up wireline. TIH with cement retainer and set retainer at 7620'. TOOH with setting tool and rigged down wireline. TIH with stinger. Established injection rate. Pumped 200 sacks "H" Neat cement at 17# - took cement on vacuum. Waited 2 hours. Pumped 200 sacks "H" Neat at 17# - staged cement - taking cement on vacuum. Sting out and reversed. 2-19-2000 - Pumped 100 sacks Thixotropic and 100 sacks Neat - took on a vaccum. Waited 2 hours. Pumped 200 sacks Neat - staged cement - held to 500 psi. TOOH with tubing. Shut down. 2-22-2000 - TIH with bit, drill collars and tubing. Rigged up reverse unit. Drilled out cement retainer at 7620' and 3' of cement. Stopped making hole. TOOH with bit. TIH with new bit and began drilling on cement. Drilled out cement and retainer at 7640'. Drilling cement at 7665'. 2-23-2000 - Continued drilling cement to 7775'. Well went on vacuum. Dry drilled 6' to 7781'. Started getting stuck. TOOH with tubing and bit. Shut down. 2-24-2000 - Rigged up wireline. TIH with cement retainer and set retainer at 7635'. TOOH. Rigged down wireline. TIH with stinger. Loaded casing with 56 bbls. Sting into retainer. Tubing had slight vacuum. Put 500 psi on casing. Established injection rate of 3 BPM at 2800 psi. Pumped 100 sacks Thixotropic at 14.5# - perforations squeezed off with 7 bbls cement in formation at 3000 psi. Sting out and reversed out cement. TOOH with tubing. 2-25-2000 - TIH with bit, drill collars and tubing. Rigged up swivel. Drilled cement retainer and cement to 7818'. Lost circulation and well went on vacuum. Picked up on tubing and got circulation back. Started drilling and lost circulation. Could not move tubing. Tubing stuck. Worked pipe. Tried to pump down tubing. Tubing plugged. Pumped down caisng at 5 BPM at 500 psi. Worked tubing. Pumped 300 bbls. Shut down. Left 95000# pulled on tubing. 2-26-28-2000 - Tubing still stuck. Worked tubing and tubing came free. TOOH with tubing - 3 joints of tubing and 6 drill collars plugged. Rigged up wireline. TIH with gauge ring to 7816'. TOOH. TIH with cement retainer and set retainer at 7637'. TOOH and rigged down TIH with stinger and tubing. Loaded casing with 250 bbls. Sting into retainer. wireline. Tubing went on vacuum. Put 500 psi on casing. Pumped 150 sacks Neat cement at 16.5#. Perforations tried to squeeze off. Pressured up to 1500 psi and broke back. Went on vacuum. Overdisplaced 10 bbls. Sting out. Reversed 60 bbls. Waited 2 hours. Sting into retainer. Pumped 100 sacks Neat - perforations squeezed at 1000 psi. Sting out. Reversed out 10 bb1s cement. TOOH with tubing. 2-29-2000 - TIH with bit, drill collars and tubing. Picked up swivel. Drilled out cement and cement retainer to 7660'. 3-1-2000 - Continued drilling cement. Fell out of cement at 7851'. Lost 20 bbls water in 2 hours. Pressured up on squeeze to 1000 psi. Lost pressure in 2 minutes. TOOH with tubing and changed out bit. TIH with bit, drill collars and tubing. 3-2-2000 - Drilled out float collar at 7980', shoe joint and float shoe at 8017'. Drilled 15' of new formation to 8032'. Circulated hole clean. Break off swivel. POOH and laid down 2-7/8" tubing. Shut well in. 3-3-2000 - Finished POOH with tubing and drill collars. Nippled down BOP. Nippled up flange. Released well to drilling department. 3-4-31-2000 - Shut in. 4-1-4-2000 - Building location. 4-5-12-2000 - Waiting on rotary tools.