

YATES PETROLEUM CORPORATION  
Archimedes ARM State Com #1  
Section 18-T21S-R24E  
Eddy County, New Mexico

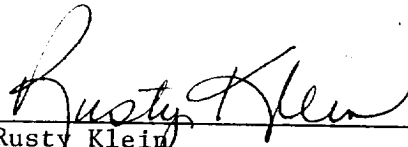
SUNDRY NOTICE CONTINUED:

TOOH with 8-3/4" bit. TIH with 6-1/8" bit. Worked inside 7" stub. Ran tubing and tagged at 7439'. Circulate hole 2 hours and 20 minutes. TOOH to pick up pilot mill, stabilizer and 6-1/8" bit.

7-2-97 - Finished POOH with bit. TIH with 6-1/8" bit, bit sub, 6-1/8" OD stabilizer, 8-1/2" OD pilot mill, crossover and rill collars. Milled off 3' of 7" casing. Circulated clean. POOH with pilot mill and laid down same. RIH with 8-3/8" OD skirted dress off mill. Work over stub.

7-3-97 - Continued dressing off 1 more foot of stub. Circulate 2 hours. POOH. Laid down top 4 drill collars. Laid down skirted mill. RIH with 8-3/8" OD and 7-3/4" ID X 4' long skirt with 7" slip collar, 1 joint, float collar and 7" 23# casing. Slipped over stub. DETAILED CASING REPORT: 135 joints of 7" 23# casing, float collar set at 5458'. Cemented with 200 sacks C (65-35-6), 5#/sack gilsonite, 5#/salt and 1/4#/sack celloflake. Tailed in with 200 sacks "C" Neat. PD 10:15 PM 7-2-97. WOC. Set 15 points down on stub.

Waiting on completion unit.

  
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Rusty Klein  
Operations Technician  
July 3, 1997