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

SUNDRY NOTICE CONTINUED:

7-10-97 - TIH with 6-1/8" tapered bull nose mill, bit sub, 6-1/8" string mill, 8' short drill collar, 6-1/8" IB stabilizer and 6 4-3/4" drill collars. Went through splice at 5500' with no problem. Tagged at 6734' (corrected from 6678'). Milled for 2-1/2 hours from 6734-6744' until smooth. Ran down to 6770'. POOH. TIH with 5-1/2" OD shoe dressed to 6-1/8" with diamonds and wires. Tagged at 7427'. Washed over junk to 7445'. Shoe can swallow 8-1/2'. Washed over 18 of junk and miscellaneous before shoe packed off. POOH with shoe. 7-11-97 - Finished TOOH with shoe. Did not have any fish. TIH with 5-3/4" overshot with 2-1/2" grapple and 3-1/8" mill cutter control. Worked on getting hold of fish. POOH - no recovery. TIH with 5-1/2" shoe with diamonds and wires (13' in length dressed to 6-1/16" OD). Worked on junk. POOH - recovered 3 pieces of casing. 7-12-97 - TIH with shoe. Washed over 7'. POOH and recovered 2 2-3/8" X 4' long shot bars. TIH with bit. Drilled from 7433-7436'. POOH with bit. Slips broke. Shut down 6 hours - waiting on new slips. Finished POOH with bit. 7-13-97 - Made 3 runs with magnet on sandline. Recovered small pieces of steel. TIH with 5-3/4" OD dressed to 6-1/16" OD X 9-1/2' long slick shoe to cut over CIBP. Washed over 8-1/2'. TOOH. Recovered 2 more shot bars and 4 pieces of casing. RIH with magnet on sandline to TD of 7447'. Recovered small pieces of metal. Made 2 more runs - no recovery. TIH with bit. Ran drill collars and 20 stands - blocks broke on rig. Shut down for night. 7-14-97 - Finished TIH with bit. Drilled small pieces of junk, 7' of cement and CIBP at 7465'. RIH and tag at 7583'. Rigged up swivel - drilling cast iron. Suspect retainer at 7583'. Drilled. POOH. TIH with bit. Drilling on retainer. 7-15-97 - Continued drilling cement retainer at 7583'. Drilled cement from 7585-7624'. Void from 7624-7630'. Drilled cement from 7630-7830'. Circulated. Ran tubing and tagged at 9000'. Circulated 1-1/2 hours. Drilled cement from 9000-9082'. 7-16-97 - Continue drilling cement to 9180'. Circulated gas bubble. Continued in hole and tagged at 9409'. Rigged up swivel. Drilled. POOH. TIH with bit. Drilling. 7-17-97 - Continue drilling on plug at 9409'. POOH. TIH with 5-1/2" shoe dressed to 6-1/8" OD. Can swallow 8-1/2' shoe with diamonds and 2 rows of wires. 7-18-97 - Continued washing over packer at 9409'. POOH and recovered packer in shoe. TIH with bit. Drilled cement from 9416-9607'. Circulate. RIH and tag TD at 9716'. Circulate. Rigged down swivel. Started laying down tubing. 7-19-21-97 - Finished laying down work string and drill collars. Picked up 6-1/8" bit, bit sub, 7" scraper and crossover on 150 joints of 2-7/8" tubing. Shut down for night.

Rusty Klein

Operations Technician July 22, 1997