YATES PETROLEUM CORPORATION Little Box Canyon AOX Federal #1 Section 7-T21S-R22E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

5-1/2" cement retainer and set retainer at 6700'. TOOH. TIH with stinger on tubing. Sting into retainer. Pumped 400 bbls down annulus. Pressure got up to 400 psi at 4 BPM, then pressure dropped off. Shut down. Did not circulate up 8-5/8". 10-1-99 - Loaded tubing with 20 bbls. Pressured to 3000#. Could not pump in. Sting out of retainer. Could not pump. Tubing plugged. TOOH and unplug stinger. TIH and sting into retainer. Loaded tubing with 7 bbls. Pumped tubing capacity (39 bbls) no returns. Mixed and pumped 260 sacks Class C with .5% FL25. With 10 bbls cement gone, started circulating out 5-1/2" X 2-7/8" annulus. Closed. Broke circulation out 8-5/8" X 5-1/2" for 5 bbls. Flow stopped out 8-5/8" X 5-1/2". Displaced tubing with 39 bbls fresh water. Stung out of retainer. Did not lose pressure in tubing. Tried to pump thru tubing, pressured to 2500#. Bled off tubing. Pulled 1 joint, sticking. Had to work pipe up to 90000#. Broke off top joint with iron. Put on 10' sub and moved tubing up 1'. Worked for 45 minutes. Tubing planted. Rigged up wireline. TIH with freepoint tools. Pipe free at 6580'; 70% free at 6588'. TOOH. TIH with tubing cutter and cut tubing at 6579'. TOOH with cutter. Left 2 joints and 25' of 3rd joint in well. TOOH with tubing. TIH with 4-5/8" overshot, bumper sub, jars, drill collars and accelerator and tagged up at 6571'. Latched onto fish and jarred on fish for 1-1/2 hours - no progress. Released overshot and TOOH with tools. TIH with 4-3/4" shoe, wash pipe, jars, drill collars and tubing and tagged up at 6571'. Began washing over tubing. Washed down to stinger at 6655'. Circulated hole clean (getting formation back). TOOH with tubing and washpipe. TIH with 4-5/8" overshot, bumpr sub, jars, drill collars and tubing. 10-2-4-99 - Latched onto fish. Jarred on fish. Fish came free. TOOH with fishing tools and fish. Closed BOP. Circulated down 5-1/2" casing and back up 8-5/8" casing at 3.7 BPM at 300 psi. Shut down. Rigged up wireline. TIH with cement retainer and set retainer at 4800'. TOOH. Rigged down wireline. TIH with stinger and tubing. Cemented back casing from 5045-5493' with 800 sacks Class C with 1/2% FL25. Had good circulation out 8-5/8". Shut 8-5/8" with 12 bb1s cement in tubing. Squeezed off at 2000 psi with 7 bbls in tubing. Pulled out of retainer. Reversed out 7 bbls. TOOH with tubing and shut down. 10-5-99 - TIH with 4-3/4" bit, drill collars and tubing. Tagged up at 4782'. Drilled out cement retainer and hard cement to 4929'. Circulated clean. Shut well in. 10-6-99 - Drilled cement from 4929-4960'. TOOH. TIH with 4-3/4" blade bit, drill collars and tubing. Drilled cement from 4960-4982'. TOOH & changed bits. TIH with 4-3/4" varel tri-cone bit, drill collars and tubing. Drilled cement from 4982-5130' and fell out. Drilled stringers to 5170'. TIH to 5306' and tested to 500# for 15 minutes. TIH and tagged up at 6640'. Shut well in. 10-7-99 - Washed fill off of retainer at 6700'. Drilled out retainer and cement fell out at 6800'. Circulate clean. Tested casing to 750 psi for 15 minutes, OK.

TIH and tagged CIBP at 7300'. TOOH. TIH with packer to 4800' and set packer. Swabbed tubing dry. Shut well in. 10-8-99 - Swabbed. Loaded and tested annulus to 1000#. Loaded tubing and pressured

to 950#. Lost 450# in 10 minutes. TOOH with packer. TIH with 4-3/4" bit, drill collars and tubing. Drilled top slipson CIBP and pushed CIBP to 8300' (PBTD). TOOH and laid down drill collars. Shut well in.

10-9-11-99 - TIH with bit and scraper to 8300'. Displaced hole with 2% KCL. TOOH. TIH with production string and released well to production department.

Producing perforations: 8069-8139' Morrow,

BLM ROSWELL, ANG

RECEIVED