

YATES PETROLEUM CORPORATION  
Walt Canyon AMA Federal #2-H  
Section 3-T22S-R24E  
Eddy County, New Mexico

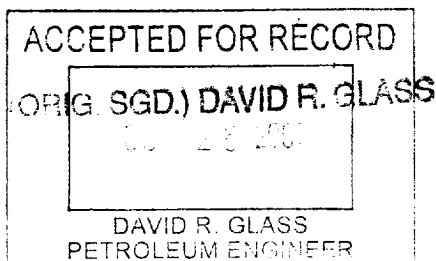
SUNDRY NOTICE CONTINUED:


10-6-2000 - Moving in and rigging up rotary tools.  
10-7-2000 - Laying down 7" casing. Nippled up BOP. Tested blind rams to 3000#. TIH with 3-1/2" drillpipe to 1100'. Tested hydril to 1000#. TIH with drillpipe to 1590' - did not tag up on RBP at 1200'. TOOH with drillpipe. Rigged up wireline. TIH and tagged up on tool at 4100'. TIH with drillpipe to 4260'. TOOH and laid down bridge plug. Rigged up and ran Gyro Survey. Rigged up casing crew. Picked up 1 joint of 7" casing. Rigged up wireline and chemical cut casing at 7690'. Pulled casing loose and started laying down casing.  
10-8-2000 - TD 7690'. Cut drilling line. Laid down 7" casing. TIH with 3-1/2" drill pipe and laid down 3-1/2" drillpipe. TIH with drill collars and 4-1/2" drillpipe.  
10-9-2000 - TD 7435'. Circulate. TIH with 4-1/2" drillpipe and tagged up at 7445'. Washed to 7508'. Circulate and condition mud. TOOH and laid down BHA. Picked up 25 joints of drillpipe and TIH with drillpipe in derrick.  
10-10-2000 - TD 7435'. Set kick-off plug as follows: 176 sacks Class "H" with .9% CD-31 plug set from 7450-7200'. PD 9:30 AM 10-9-2000. TOOH and laid down 25 joints of 20# drillpipe.  
10-11-2000 - Tested BOP (pipe rams, blind rams and manifold to 3000#) and annulus to 1500#. TIH with 4-1/2" drillpipe and tagged cement at 7145'. Drilled cement from 7145-7174'. Circulated and TOOH. Picked up motor and monel drill collars. TIH. Changed out swivel. Finished TIH. Rigged up wireline and wireline wet connect. TIH with 1 more stand and oriente motor. Resumed operations (time drilling) at 1:30 AM 10-11-2000.

TD 8041'. Ran 196 joints of 7" 26# & 23# casing as follows: 19 joints of 7" 26# N-80 casing (749.65'); 48 joints of 7" 26# J-55 casing (1983.22'); 123 joints of 7" 23# J-55 (5068.55') and 6 joints of 7" 26# J-55 (247.73') (Total 8049.15') of casing set at 8041'. Float shoe set at 8041'. Float collar set at 7999'. Bottom marker set at 7333'. Top marker set at 7312'. Pumped 150 bbls mud with 150 scf/bbl ahead of 900 sacks Class H Lite (65-35-6), .2% FL-52, .2% salt and 5#/sack gilsonite (yield 2.0, weight 12.4). Tailed in with 200 sacks of Super C Modified (61-15-11), .6% FL25, .6% FL52, 5% salt and 5#/sack gilsonite (yield 1.63, weight 13.2). PD 8:45 PM 10-19-2000. Bumped plug to 1500 psi for 1 minute, OK. NOTE: Did not circulate cement. Will run temperature survey before drilling out. Tested BOP to 3000#, OK. Ran Temperature Survey and found top of cement at 1162'. Drilled out at 3:30 AM 10-21-2000. WOXC 30 hours and 45 minutes. Reduced hole to 6-1/8". Resumed drilling.

TD 10391'. Reached TD at 11:15 AM 11-2-2000. Released rig at 6:00 AM 11-3-2000.

Waiting on completion unit.



  
Rusty Klein  
Operations Technician  
November 30, 2000

RECEIVED  
2001 OCT 22 AM 9:41  
BUREAU OF  
ROSMONT, TEXAS