

YATES PETROLEUM CORPORATION
Preston Federal #25
Section 34-T20½S-R23E
Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

7-19-98 - Pressure on coiled tubing - 1200 psi. Had 1300 psi bleed off overnight. Worked coiled tubing - but still stuck. Clamped off coiled tubing at reel and cut coiled tubing above BOP. Rigged up wireline. TIH and free point coiled tubing. Free point shows coiled tubing to have 10-12' loose fill on top of bit at 6838'. TIH and chemical cut coiled tubing at 6625'. Rigged down wireline.

7-20-98 - Spliced cut off coiled tubing back onto reel. TOOH with cut off coiled tubing. Rigged down coiled tubing unit and mast truck. Moved in and rigged up pulling unit and reverse unit. Nippled down wellhead and installed BOP. TIH with 3-5/8" overshot, bumper sub, drill collars, jars and 2-3/8" tubing. Latched onto coiled tubing. Fish at 6625'. Pulled up 10 points over weight. Set down 10 points under weight. Pulled up and tubing was free. TOOH. Had 3-1/2" piece of coiled tubing in overshot. Bottom of fish had knot where it had parted. TIH with drill collars, jars and 2-3/8" tubing, cut could not get hold of fish. TOOH.

7-21-98 - TIH with 1-11/16" grapple in overshot, collars, jars and 2-3/8" tubing to 6824'. Displaced casing with gelled 2% KCL water. Worked overshot down to 6835'. Circulated out large amount of LCM. TOOH. Did not have anything in overshot. TIH with 1-5/8" grapple in overshot, collars, jars and tubing to 6828'. Circulated and worked overshot down to 6833'. TOOH. Did not have anything in overshot. TIH with clulow, collars, jars and 2-3/8" tubing. Circulated and worked clulow down to 6812'. TOOH. Had 186' of coiled tubing in clulow. Suspect that remaining coiled tubing (24') may be bent or wadded on top of motor. TBIH with clulow and worked clulow down to 6819'. TOOH. Did not recover anything.

7-22-98 - TIH with 3-13/16" shoe with 3-1/16" ID, BHA and 2-3/8" tubing. Tagged fish at 6834'. Worked shoe down to 6837'. TOOH. Did not have anything in shoe. Bushing in top of shoe had 1-5/8" marking. TIH with overshot and 1-5/8" grapple. Tagged fish at 6836'. Picked up and had points over weight and dragging. TOOH. Did not have anything in overshot. Bottom teeth in overshot showed signs of having hold of something. TIH with impression block and 2-3/8" tubing. Tagged fish at 6837'. TOOH - impression block shows possible oval shaped coiled tubing close to center of impression block. TIH with overshot, 1-11/16" grapple, BHA and 2-3/8" tubing. Tagged fish at 6834'. Worked overshot down to 6841'. No recovery. TOOH. TIH with clulow, BHA and 2-3/8" tubing. Tagged fish at 6838'. Worked clulow down to 6841'. Picked up 15 points over weight and popped free. TOOH. Recovered 7' of coiled tubing.

7-23-98 - TIH with impression block and 2-3/8" tubing. Tagged fish at 6840'. TOOH - impression appears to be folded over and curled up coiled tubing. TIH with 3-13/16" X 2-7/8" ID shoe with cutrite pads, BHA and 2-3/8" tubing. Tagged up at 6840'. Worked shoe to 6845'. TOOH - no recovery. TIH with clulow, BHA and 2-3/8" tubing. Tagged up at 6844-1/2'. Worked to 6845'. TOOH. Recovered 6" piece of flattened, twisted coiled tubing. TIH with impression block and 2-3/8" tubing. Tagged up at 6842'. TOOH - impression appears to be coiled tubing looking up. TIH with overshot, 1-5/8" grapple, BHA and 2-3/8" tubing. Tagged up at 6842'. Worked overshot to 6844'. Had slight drag picking up. TOOH - no recovery. TIH with overshot, 1-1/4" grapple, BHA and 2-3/8" tubing. Tagged up at 6844'. Couled not work any deeper. TOOH - no recovery. Suspect pieces of coiled tubing on top of crossover.

7-24-98 - TIH with globe basket, BHA and 2-3/8" tubing. Tagged up at 6844'. Worked down to 6846'. TOOH - basket was full of twisted, wadded up coiled tubing. TIH with shoe, 2-7/8" X 2.44" ID with 10' cavity, BHA and 2-3/8" tubing. Tagged up at 6846'. Milled down to 6847.5'. TOOH - cutrite worn off of shoe. Marks 1 to 1-1/2' up inside shoe. TIH with shoe, BHA and 2-3/8" tubing. Tagged up at 6847'. Milled 5". TOOH -