

Yates Petroleum Corporation
Lease Agreement #1
APN: 001-15-01147
Section 16, T21N R24E
Hidalgo County, NM

Describe proposed or completed operations (continued):

3/6/01 - Ran 1". Tagged cement at 452'. Spotted 100 sxs Class C Neat + 2% CaCl₂. WOC 2 hrs.
Ran 1". Tagged cement at 380'. Spotted 100 sxs Class C Neat + 4% CaCl₂. WOC 1-1/2 hrs.
Ran 1". Tagged cement at 348'. Spotted 160 sxs Class C Neat + 4% CaCl₂. Circ 10 sxs.
3/7/01 - Drilled cement 764-1155'. void in cement from 1125-1150'. Lost returns at 1155'. TIH with open ended drill pipe.
Cemented with 100 sxs Thickset + 10% Calseal + 2% CaCl₂ and 150 sxs C + 2% CaCl₂.
3/8/01 - Plug down at 3:15 AM.
3/9/01 - Drilled out at 12:30 AM. WOC 96 hrs 15 mins. Reduced hole to 7-7/8" and resumed drilling.
Lost returns at 1415'. TIH with cement retainer, set at 1057'. Cement with 225 sxs H with 1/4# flocele + .4% Halad 322 (yld 1.18, wt 15.6) WOC 18 hrs.
3/10/01 - Drilled cement 1059-1441'. Drilled to 1540 - losing 10 BPH.
3/15/01 - Run DST #1 : 5700 - 5695' Cisco.
3/22/01 - Run DST #2: 7345-7378' Atoka.
3/25/01 - Run DST #3: 7653-7732' Morrow.
3/28/01 - Reached TD of 8004' at 5:45 PM. Circulate for logs.
3/29/01 - Run open hole logs. Loggers TD 8004'.
3/30/01 - Ran 191 joints casing set at 8004' as follows:
48 joints 4-1/2" P-110 11.6# SB (2027.72')
143 joints 4-1/2" 11.6# varn (5976.28')
Float shoe set at 8004'. Float collar set at 7962.64' Bottom marker set at 5958.78'.
Cemented with 735 sxs Interfill C Neat (yld 2.8, wt 11.5). Tailed in with 585 sxs Super H + .5% Halad 344 + .4% CFR + 3.5# gilsonite (yld 1.7, wt 13)
Plug down at 8:00 PM. Bumped plug to 2500 psi for 2 mins. Held OK. Circ 30 sxs.
3/31/01 - Rig released at 6:00 AM.