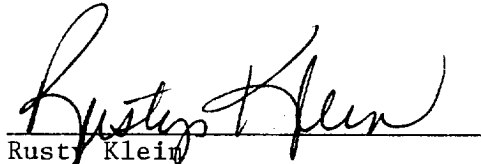


YATES PETROLEUM CORPORATION  
Whitetail ATW Federal Com #1  
Section 35-T20S-R21E  
Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

6-13-2000 - TD 301'. Drilled cement from 18-212'. Lost circulation at 153'. Had returns at 155'. Lost returns at 168'. Drilled from 212-301'.  
6-14-2000 - TD 347'. Reached TD at 1:00 PM 6-13-2000. Ran 8 joints of 13-3/8" H-40 48E (354') of casing set at 335'. 1-Regular guide shoe set at 334'. Insert float set at 298'. Cemented with 200 sacks "H", 10% A-10B, 1% CaCl<sub>2</sub>, 1/4#/sack celloflake and 10#/sack gilsonite (yield 1.52, weight 14.6) and 200 sacks Poz (65-35-6), 2% CaCl<sub>2</sub> and 5#/sack gilsonite (yield 1.93, weight 14.8). Tailed in with 200 sacks "C" and 2% CaCl<sub>2</sub> (yield 1.34, weight 14.8). PD 8:00 PM 6-13-2000. Bumped plug to 360 psi, OK. Cement did not circulate. WOC 6 hours. Ran Temperature Survey and found top of cement at 115'. Ran 1". Tagged cement at 145'. Spotted 50 sacks "C" and 3% CaCl<sub>2</sub>. PD 3:00 AM 6-14-2000. WOC 1-3/4 hour. Ran 1". Tagged cement at 83'. Spotted 50 sacks "C" and 4% CaCl<sub>2</sub>. PD 5:00 AM 6-14-2000. WOC 2 hours. Ran 1". Tagged cement at 33'. Spotted 80 sacks "C" with 2% CaCl<sub>2</sub>. PD 8:00 AM 6-14-2000. Circulated 40 sacks to pit. WOC. Nippled up flange rotating head. Drilled out at 12:15 AM 6-15-2000. WOC 28 hours and 15 minutes. Reduced hole to 12-1/4". Resumed drilling. NOTE: Could not get pipe to bottom. Bottom of casing at 335'. Cemented at 335' with authorization from Cathy Queen w/BLM-Carlsbad. Cathy Queen on location and witnessed.

  
Rusty Klein  
Operations Technician  
January 31, 2001