YATES PETROLEUM CORPORATION Blitzen AUB State #1 Section 16-T11S-R34E Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

of cellar and cut of f8-5/8" casing. Dressed off and welded on slips joint (4' piece of 32" casing). Set on casing head and welded on. Nippled up BOP. Loaded hole and pressured to 500 psi. Lost 100 psi in 5 minutes - no leaks at surface. 13-3/8" casing tops full of cement. Shut in.

2-24-2000 - Nippled up manifold line. TIH with 7-7/8" bit and 4-3/4" drill collars and resumed cleaning out. Washed down to 1506'. Circulated out heavy amound of iron sulfide. Tested casing to 1000 psi, OK. Washed down to 3718'.

2-25-2000 - Washed to 4010' and tagged plug. Circulated and pressured casing to 1000 psi for 5 minutes, OK. Mixed and conditioned mud. Displaced iron sulfide water from hole. Fell out of cement at 4350'. Drilled stringers. Ran a few joints and drilled more stringers. Washed to 5419'. Drilled to 5430'. Washed to 5730'. Drilled to 5745'. Washed down to 6721' at report time.

2-26-2000 - Washed down to 7120'. Drilled and fell thru. Washed and reamed to 7700'. Conditioned mud. Washed down to 9700'. Drilled solid to 9745'. Washed to 11810' at report time.

2-27-2000 - Washed and reamed from 11810-13290'. NOTE: No plug at 13100'. Circulated 7 hours. TOOH. Rigging up loggers at report time.

2-28-2000 - Rigged up wireline. TIH with logging tools and set down at 4400'. Worked thru and set down at 5600'. Worked thru to 5780'±. TOOH with logging tools. TIH with bit and drill collars. Tagged at 4460'. Worked down 30'. Rigged up swivel and washed down 2 joints. TIH to 5700'. Conditioned mud. TIH to 7300' and washed thru. TIH to 9600' and washed thru 20'. TIH to 11600' and washed thru 20'. TIH to 13200'. Circulated and conditioned mud.

2-29-2000 - Circulated. Laid down swivel. TOOH and laid down drillpipe and drill collars. Changed rams in BOP to 4-1/2". Rigged up casing crew. TIH with 4-1/2" casing with double floats. TIH at report time.

3-1-2000 - TIH with 4-1/2" casing as follows:

TD 13290'. Reached TD at 2:00 PM 2-26-2000. Ran 315 joints of 4-1/2" 11.6# casing as follows: 50 joints of 4-1/2" 11.6# P-110 sandblasted (2109.23') and 265 joints of 4-1/2" 11.6# P-110 mill varnished (11074.77') (Total 13184') of casing set at 13184'. Float shoe set at 13182'. Float collar set at 13140'. Bottom marker set at 11051' and top marker at 9200'±. Pumped 150 bbls of mud with 100 scf/bbl N2 with 500 gallons of mud flush ahead of 700 sacks 65-35-6 and 6/10% FL-50 (yield 1.99, weight 12.4) and 200 sacks Super Modified C (61-15-11) (yield 1.63, weight 13.2). PD 12:20 PM 2-29-2000. Bumped plug to 2500 psi, OK. NOTE: Displaced with 205 bbls 2% KCL. Set 110000# on slips. Cut off. Nippled down BOP and nippled up 11" 5K X 7-1/16" 5K tubing head. WOC. 3-2-2000 - WOC.

3-3-2000 - Rigged up wireline. TIH with logging tools and ran GR/CBL log. TOOH with logging tools and rigged down wireline.

3-4-8-2000 - Prep to begin completion on 3-8-2000.

3-9-2000 - Moved in and rigged up pulling unit. TIH with bit, scraper and 2-3/8" tubing. TIH to 11000'. Shut well in.

3-10-2000 - Picked up 40 joints tubing and TIH. Nippled up BOP. Rigged up wireline and full lubricator. TIH with 3-3/8" casing guns and perforated 12236-12316' w/64 .45" holes as follows: 12236-12268' and 12286-12316' (1 SPF - Austin Cycle). TOOH with casing guns and rigged down wireline and lubricator. TIH with packer with 1.81" on/off tool to 12000'. Shut well in.

COMMITMIED ON MEVE DACE.