

YATES PETROLEUM CORPORATION
East Sand Springs Unit #1
Section 5-T11S-R35E
Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

5-24-2000 - TIH with 3-7/8" tapered mill, jars, drill collars and tubing and washed 5' of fill. Felt drag through collar at 11866'. Tagged up at 11870'. Fell through to 11875'. Milled to 11879' - plugging up. TOOH with mill. Indicates that we are out-side of casing. TIH with muleshoe sub and 50 stand of tubing. Shut in.

5-25-2000 - Finished TIH with tubing. Rigged up downhole video camera and wireline. Circulate from 11872'. TIH with camera while circulating with clean KCL. Could not see video. Circulated with fresh water and videod bad spot in casing. Rigged down wireline and pulled 10 stands. Shut well in.

5-26-2000 - TOOH with tubing. TIH with 3-7/8" bull nosed tapered mill and tagged up at 11879'. Started milling and getting good bite. Milled to 11881-1/2'. Quit making hole. TOOH - 3-7/8" OD portion of mill had some wear. Nose of mill had some wear but not bad. Shut well in.

5-27-30-2000 - TIH with 3-7/8" OD window mill, jars, drill collars and tagged up at 11881'. Milled 4 hours and made 1/2'. TOOH - slight wear on OD. Piece of metal imbedded in cut-rite on bottom of shoe. Shut well in.

5-31-2000 - TIH with shoe with extension, jars and drill collars and tagged up at 11881'. Made 1' in 3 hours. Very little torque. Switched circulation to reverse. Plugged up. Pumped loose. Tagged and plugged. TOOH. Cleaned out drill collars - compacted with fine grains of sand and formation. Bottom of shoe rolled in. Cutrite good. Indicates junk is spinning under us. Shut well in.

6-1-2000 - TIH with metal muncher mill and tagged up at 11882'. Milled 2' to 11884'. Smoothed out - quit cutting. TOOH - bottom of mill rounded off. TIH with bit, drill collars.

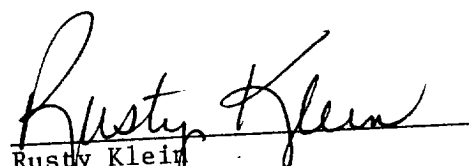
6-2-2000 - TIH with bit and tagged up at 11870'. Rigged up swivel and washed down to 11884'. Drilled to 11890'. Circulated clean. TOOH and laid down drill collars and bit. TIH with Arrowset packer with 1.81" on/off tool to 11708'. Nippled down BOP and valve. Nippled up tree. Set packer and on/off tool. Displaced hole with clean KCL. Latched onto packer. Flanged up. Tested annulus to 1000 psi. Shut well in.

6-3-2000 - Swab tested perforations 11882-11886' (Atoka) thru milled out and collapsed section. Swabbed dry. Shut well in.

6-6-2000 - Bled down. Swabbed. Shut well in.

6-7-2000 - Bled well down. Swabbed. Shut well in.

6-8-2000 - Bled well down. Swabbed. Shut well in. Released well to production department.


Rusty Klein
Operations Technician
August 14, 2000

