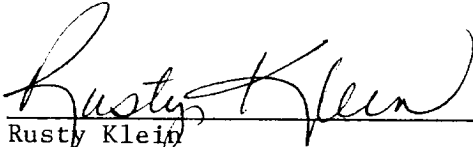


YATES PETROLEUM CORPORATION
Buffalo ARU State Com #1
Section 18-T16S-R35E
Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

10-4-97 - Logged open hole. TOOH with logging tools. Rigged down Schlumberger. Cleaned and inspected 5-1/2" casing. Running 5-1/2" casing at report time.
10-5-97 - Ran 321 joints of 5-1/2" 17# casing as follows: 88 joints of 5-1/2" 17# S-95 (3651.05'); 220 joints of 5-1/2" 17# L-80 (9118.36') and 13 joints of 5-1/2" 17# S-95 (524.38') (Total 13293.79') of casing set at 13293'. Float shoe set at 13293'. Float collar set at 13253'. Bottom marker set at 11244'. Top marker set at 8151'. Pumped 150 bbls mud w/150 scf/bbl N2 ahead of 450 sacks Halliburton Lite, 1/4#/sack flocele and 5#/sack salt (yield 2.07, weight 12.45). Tailed in with 650 sacks Premium Poz Silicalite, 5% Halad 322, 4% CFR3, 2% HR7 and 1# salt (yield 1.66, weight 13.5). PD 1:30 PM 10-3-97. Bumped plug to 1300 psi for 5 minutes, OK. WOC. NOTE: Displaced hole with 10# brine.

Waiting on completion unit.



Rusty Klein
Operations Technician
Oct. 13, 1997